JPRS-EER-89-012
6 FEBRUARY 1989

JPRS Report

East Europe

East Europe

JPRS-EER-89-012 *6 FEBRUARY 1989*

CONTENTS

POLITICAL

CZECHOSLOVAKIA

Background, Current State of Czechoslovak Federation Analyzed *[NOVA MYSL Nov 88]* 1

GERMAN DEMOCRATIC REPUBLIC

Industry's Role in CEMA Integration Outlined *[EINHEIT Nov-Dec]* 7
EINHEIT Summaries of Selected Articles in Nov-Dec 1988 Issue *[EINHEIT Nov-Dec]* 11

HUNGARY

PPF Secretary Huszar on One-Party Rule, Multiple Parties, PPF Role, New Political Practices *[MAGYAR NEMZET 29 Nov]* 14
Biro Reviews Glatz Book on Rehabilitating History *[FORRAS No 10]* 17

POLAND

POLITYKA Weekly News Roundup *[POLITYKA 17 Dec]* 19

YUGOSLAVIA

Current Passive Attitude of Croatia Analyzed *[DANAS 27 Dec]* 22
Slovene Youth Activist Interviewed on Work in Belgrade *[POLET 11 Nov]* 25

ECONOMIC

CZECHOSLOVAKIA

New Enterprise Base Structure Discussed *[RUDE PRAVO 14 Nov]* 30
Slusovice, Vietnam Sign Joint Enterprise Agreement *[NASE CESTA 5 Oct]* 31
Workers Complain of Problems Not of Their Own Doing *[RUDE PRAVO 19 Oct]* 33

HUNGARY

Situation of National Debt Reviewed; Truth, Reliable Statistics Urged *[MAGYARORSZAG 3 Dec]* 35

POLAND

ZYCIE GOSPODARCZE 'Briefs' Columns *[ZYCIE GOSPODARCZE 6-27 Nov]* 37

CZECHOSLOVAKIA

Background, Current State of Czechoslovak Federation Analyzed

24000038 Prague NOVA MYSL in Czech
No 11, Nov 88 pp 25-41

[Article by Jan Sindelka: "Twenty Years of Czechoslovak Federation and Marxist Solution of the Nationalism Question"]

[Excerpts] The problem of nationalism, which reaches far back into the history of mankind, has always been a very vital and complicated problem, and its solution was usually very difficult. It has not lost its relevance even today; on the contrary, problems which appeared to have been resolved in the basic issues under socialism are again beginning to emerge in connection with the restructuring, although they are different in content than is the case under capitalism. This is demonstrated not only by the problems concerning the autonomous region of Upper Karabagh, problems surrounding the Crimean Tartars and others in the USSR, the problem of the Hungarians in Rumania, but other problems as well.

Marxism-Leninism is above all a method of studying and solving real problems. As long as it is thus correctly understood and applied, then a number of real problems of the societal development are solved successfully and effectively. Of course, as long as it is understood inadequately, primarily as an altogether immutable system which basically does not succumb to change and does not react adequately to reality and progress, then in practice a number of mistakes can occur and wrong and inadequate solutions can be chosen.

Concerning the problem of nationalism, Marxism-Leninism emphasizes that the decisive factor in the relations among nations and other ethnic groups is their cooperation, which can be achieved by a policy of internationalism in all fundamental areas of societal development. Internationalism, of course, cannot be nonnationalistic, that is, it cannot deny the fact that nations exist and are developing, and that their development has many progressive features at given stages of progress of the human society. That is why Marxism-Leninism considers as one of the basic conditions for successfully realizing internationalism, and thus also cooperation between nations and other ethnic groups, equality of rights among nations, which can be achieved by a policy of self-determination, by a realistic policy of ensuring their equality of rights not only in the political sphere but also in all other areas of societal development—economic, social, cultural, etc. Both these principles—internationalism and equality of rights for nations—must be implemented comprehensively, i.e., relations between nations and other ethnic groups must be part of the solution of all the basic issues of social development.

Obviously, in practical politics it is not simple to apply these basic methodological conclusions of Marxism-Leninism. With the best of intentions and a thorough study and analysis of the real situation we cannot avoid misjudgments and errors. But at all times the point is to come as close as possible to the optimal evaluation of the situation and react to changes in it with flexibility.

In most cases concerned with finding a solution to the problems of nationalism, the CPCZ has proceeded from the mentioned methodological principles of Marxism-Leninism, and hence it reached conclusions which led to a successful resolution of the problem of nationalism. It set its direction comparatively quickly after the emergence of the republic on the question of the existence and status of the Slovak nation, and following its 2nd Congress (1924) it not only took a position as the only one of the Czech political parties on the independence of the Slovak nation, but it promoted a practical solution—equality of the Slovak nation with the Czech nation in the form of a federation; because of the number of different nationalities in Czechoslovakia, it proposed a pluralistic federation. During the time when the republic was threatened by Hitler's fascism, the CPCZ pointed out that the only means of uniting—regardless of nationalities—the working masses of all of Czechoslovakia in the fight to preserve democracy and against fascism, and to overcome the national disputes at least on the basic questions, is to solve the socioeconomic problems not only of the Slovak nation, but also of the German, as well as other, minorities. This solution was opposed by the bourgeoisie, and not only the Czech one. The Czech bourgeoisie (and the petit bourgeoisie as well) proceeded during the entire duration of the first republic from the concept of the so-called Czechoslovak nation, which did not recognize the existence of an independent Slovak nation and thus also denied its equality of rights with the Czech nation, and as a practical consequence subordinated the Slovak nation to the interests of the Czech bourgeoisie. The Slovak bourgeoisie and petit bourgeoisie were divided on this question: one group succumbed to the theory of the "Czechoslovak nation," the other pushed for independence of the Slovak nation, which they were ready to push through even at the price of destroying the democratic bourgeois Czechoslovak republic, even by means of domestic fascism subjected to Hitler's fascism. [passage omitted]

Mistakes and inconsistencies in resolving the relations between the Czech and the Slovak nations were one of the reasons leading to a growing, serious crisis in the Czechoslovak society which manifested itself fully in 1968-69. During the course of 1968, questions were raised not only about the constitutional solution of 1960, but also about the entire solutions thus far—so-called asymetrical, when on one hand there are Slovak national agencies but no corresponding Czech agencies exist. An overall reevaluation resulted in the conclusion that the asymetrical idea, no matter how it is worked out, cannot guarantee totally equal rights of the Slovaks with the Czechs, because it retains the possibility of limiting the

equal rights of the Slovak national agencies, as well as the danger that the central agencies, because they equate the solution of national issues with those of the Czech regions, will give preference to the Czech interests.

In describing the development of the political solution of the relations between the Czechs and the Slovaks aimed at establishing the Czechoslovak Federation, we have to make an important digression, bearing on what we already said in the introduction: Marxism-Leninism reached certain conclusions on the method to resolve the problem of nationalism; one of the fundamental requirements of Marxism, which of course does not concern the problems of nationalism only, is the requirement for a comprehensive solution. And from the point of view of this requirement, let us take a look at the way the problem of nationalism is being solved.

At the beginning of the preceding chapter, we took note of the basic conflict in the solution to the problem of nationalism in the CSSR after 1948: the overall, correct policy for accelerating the economic, social, and cultural development of Slovakia came into an ever greater conflict with Slovakia's political status in the Czechoslovak republic in the next 20 years; Slovakia's political status—with the above mentioned exceptions—was being more and more curtailed. This conflict reached its peak within the framework of the overall crisis of Czechoslovak society just in the year 1968. But we also need to look at the other side of this conflict, i.e., the socioeconomic and cultural development of Slovakia in the period under review.

We already said that in a certain context the overall acceleration of the economic, social, and cultural development of the Slovak nation can be considered an extraordinary and unique phenomenon on a global scale. When looking at how the solution of the relations between Czechs and Slovaks under constitutional law has developed, we do not, of course, always appreciate this fact. We can read much about the political development of the Czechoslovak constitutional law in our literature. But one fact remains unnoticed, and that is that the rapid development of Slovakia, together with the rapid equalization of its economy as well as other areas of societal development with the levels obtaining in the Czech lands, was an important condition for the forming of the Czechoslovak Federation. After the inadequate constitutional amendments, this growth downright demanded the formation of the federation.

In the economic sphere during the first republic, Czech capital succeeded in partially liquidating the Slovak heavy industry, and industrial production in Slovakia grew very slowly, basically stagnating. The Slovak share in the nationwide industrial production stayed around 8 percent, whereas Slovakia had 24 percent of the total population. Even in agriculture, where the the share of Slovakia in the total acreage of cultivated land was about 35 percent, the agricultural production amounted to only 23 percent of the total Czechoslovak agricultural production, whereas Slovakia had 32 percent of the people active in agriculture in the entire republic. The volume of production per one agricultural worker in the Czech lands was about 56 percent higher than in Slovakia.

The CPCZ, soon after the liberation of our country by the Soviet army, began to implement a policy of industrialization of Slovakia, a policy of well thought-out equalization of Slovakia with the level of the Czech lands, in the economy as well as in other areas of public life. At the instigation of the CPCZ, some factories, complete with their equipment, were moved to Slovakia from the Czech borderlands, which at that time, following the removal of the Germans, were sparsely populated even after the influx of the Czech people; as a result, it was difficult at that time to ensure a full utilization of that equipment. [passage omitted]

The Czechoslovak economy grew relatively quickly following the Second World War. Of course, thanks to the policy of industrialization of Slovakia, the Slovak economy grew even faster. The most striking evidence of that was the growth of industry. In the years 1937-60, industry in Czechoslovakia increased fourfold, but of that it increased more than three and a half times in the Czech lands but more than tenfold in Slovakia. If we look at the period from 1937 to 1970, then industrial production in Czechoslovakia during that time increased more than sevenfold, in the Czech lands almost sixfold, and in Slovakia almost twentyfourfold.

The result of this development was that the share of Slovakia in the total Czechoslovak production was increasing, and that a rapid equalization of the level of industry in Slovakia with that of the Czech lands was taking place. Whereas in 1937 per capita production in Slovakia comprised only slightly more than a quarter of the per capita production in the Czech lands—27 percent—in 1948 it already reached 40 percent, 50 percent in 1960, and in 1970 already 68 percent.

In 1948, industrial production per worker in the Slovak industry was already only slightly below that in the Czech lands—95 percent; in the following years it reached even higher levels—113 percent in 1960, and 105 percent in 1970. It must be noted, however, that the share of industrial workers—in relation to population numbers—was substantially lower in Slovakia during those years than in the Czech lands, even though it was increasing faster than the share of the population in Slovakia in the total population of Czechoslovakia. In 1948 industrial workers in Slovakia comprised 14 percent of the total workers in Czechoslovakia, whereas the share of the population of Slovakia comprised 2[illegible] percent of the total population of Czechoslovakia; in 1960, data showing the share of industrial workers and the share of the population of Slovakia are 18 percent and 28 percent, and 23 percent and 32 percent in 1970.

The faster growth of the volume of industrial production in Slovakia was accomplished primarily by a faster growth of the share of investments in the Slovak industry (in relation to the Czech lands). In 1948, per capita industrial investments in Slovakia stood at 82 percent of the value of per capita industrial investments in the Czech lands, while the per capita production level in Slovakia was only 40 percent of the per capita production in the Czech lands. In 1960, per capita industrial investments in Slovakia reached 79 percent of the level in the Czech lands (at per capita value of production of 55 percent); in 1970 it was already 98 percent of the level in the Czech lands (at per capita value of production of 68 percent).

During the entire period under review, the per capita level (in relation to the values in the Czech lands) of investments in Slovakia was thus higher than the average per capita level of industrial production. This fact convincingly justifies the policy of the industrialization of Slovakia. The nature of the industrialization will be even more significant if we compare not the per capita value of investments but their value per one worker in industry. Even given the faster growth in the number of industrial workers in Slovakia (in comparison with their growth in the Czech lands), in 1948 the value of investments per one industrial worker in Slovakia represented 195 percent of the value of investments per one industrial worker in the Czech lands; in 1960 and in 1970 it was 151 percent. [passage omitted]

Comparatively the most synthetizing, even though also only a quantitative indicator of comparing the overall economic level of the individual lands, is the indicator of the national income. In 1948 (there are no data for the previous years) the per capita national income in Slovakia was three-fifths of the per capita national income in the Czech lands. In 1960 it rose to almost three-quarters, and in 1970 to almost four-fifths.

Similar growth was exhibited also by the value of the created national income per one worker in the national economy. In 1948, it constituted 62 percent of the value in the Czech lands, 88 percent in 1960, and already 92 percent in 1970. [1] The consumed national income grew at roughly the same rate. The level in Slovakia as compared to the Czech lands was of course higher, which was given primarily by higher investments in the national economy, but gradually, beginning in the fifties, also by a larger number of children in Slovakia.

The faster growth of the national income in Slovakia ensued from the larger share of overall investments; the trend was, of course, somewhat different in investments in industry. Overall per capita investments in Slovakia during 1948-70 in relation to the Czech lands tended to decline (in 1948 from 112 percent of the level of per capita investments in the Czech lands to 102 percent in 1970), and they increased moderately per one worker in the national economy (from 114 percent to 119 percent). [passage omitted]

The faster development of the Slovak economy, particularly of industry, also led to a fundamental change in the social class structure of the Slovak population, bringing it much closer to the population structure in the Czech lands.

As is shown by the data of individual population censuses (even though the results of the individual censuses are not entirely comparable; as comparable can be considered the basic ratios between Slovakia and the Czech lands, and the overall development trends within the framework of one census), the share of blue collar workers in the population of the Czech lands according to the 1930 census was 60 percent, whereas it was only 48 percent in Slovakia. (We must not neglect the fact that particularly in the initial years of the period under review the working class in Slovakia included a higher share of agricultural laborers than was the case in the Czech lands.) In 1950 there were 56 percent of blue collar workers among the Czech population, whereas there were 50 percent in Slovakia; the differences were thus reduced only partially. But already in 1961 the quantitative differences were practically erased—in the Czech lands the share of blue collar workers in the population was 57 percent, in Slovakia 56 percent. This condition remained basically unchanged (apart from the fact that the share of blue collar workers grew overall) in 1970—in the Czech lands 61 percent of blue collar workers, in Slovakia 60 percent.

The working class in Slovakia grew primarily to the detriment of farm workers, whose numbers among the population were decreasing in Slovakia during the period under review much faster than in the Czech lands. Whereas in 1930 there were 17 percent of farm workers in the Czech lands and 38 percent in Slovakia, in 1950 the corresponding numbers were 16 percent and 32 percent, and in 1961 already only 12 percent and 20 percent, and 9 percent and 14 percent in 1970. While the total percentage of farm workers declined, the difference in the percentage of farm workers in the population between the Czech lands and Slovakia also declined sharply.

Among the white collar workers (it concerns to a considerable degree the intelligentsia) after the initial, somewhat randomly occuring increases in the difference between the Czech lands and Slovakia, a substantial lessening of this difference took place in the following years. According to the 1930 census, white collar workers in the Czech lands comprised 8 percent of the population and 5 percent in Slovakia, in 1950 the corresponding numbers were 19 percent and 11 percent, in 1961 they were still 30 percent in the Czech lands and 23 percent in Slovakia, but in 1970 already 29 percent and 25 percent. A quantitative difference can be considered the fact that in Slovakia, in contrast to the Czech lands, there was a larger percentage of farm workers, whereas in the Czech lands there was a large percentage of white collar workers. But the striking differences were gone. [passage omitted]

The above socioeconomic data show that already in 1960, that is during the time when the political rights of the Slovak agencies were curtailed the most (the Slovak autonomy was also practically abolished), Slovakia came close to the level of the leading indicators in the Czech lands. The per capita created national income in Slovakia equalled almost three-quarters of the per capita created national income in the Czech lands; the working class had about the same share in the population as that in the Czech lands, in the case of white collar workers, although there was still a difference of about seven points (30 percent-23 percent), the numbers of the Slovak intelligentsia increased substantially, as is indicated by the fact that the number of specialists with college education working in the national economy (calculated per 10,000 workers in the national economy), reached 87 percent of the level in the Czech lands. The rapid development of Slovakia in the socioeconomic area thus came increasingly into conflict with the restrictions of the political power of the Slovak nation.

And in 1970 (shortly after the establishment of the Czechoslovak Federation), this development and the considerable approximation of Slovakia with the Czech lands was even more striking. The per capita created national income equalled already almost four-fifths of the per capita created national income in the Czech lands, the working class compri ed, same as already in 1960, approximately the same share of the p ulation; in contrast to 1960, the difference in the share of the intelligentsia and specialists with a college education per 10,000 workers in the national economy dropped, and the previous difference between Slovakia and the Czech lands in comparable data was thus quantitatively equalized. The correct internationalist policy of the CPCZ toward the Slovak nation in the socioeconomic sphere (and the Slovak nation achieved a similarly rapid growth also in the cultural and ideological sphere) came into an ever greater conflict with the growing mistakes in the solutions of the problem of the status of the Slovak nation in the republic under constitutional law. An objective development in the end demanded the correct solution: creating the Czechoslovak Federation. [passage omitted]

On 24 June 1968, the Czech National Council was established by constitutional law as the supreme state body of the Czech nation (or the Czech lands, actually the already emerging Czech Socialist Republic). On 27 October 1968, the CSSR National Assembly adopted a constitutional law on the Czechoslovak Federation, and beginning 1 January 1969 all basic constitutional institutions of the Czechoslovak Federation began to function fully as well. [passage omitted]

The basic purpose of the Czechoslovak Federation was and is to guarantee a full equality of rights of both nations in the political respect, regardless of their size, economic strength, etc. Obviously, the equality of rights in itself is not the goal, it is the eradication of mutual mistrust and elements of possible supremacy in such a way as to create optimal conditions for the closest cooperation between the nations, the best possible division of labor, etc.

Equality of rights is ensured in two ways; horizontally and vertically. The vertical equality was ensured by the creation of two national republics which have in relation to each other and particularly in relation to the federal republic the same rights and the same obligations. Their rights and obligations are expressed by various types of jurisdictions, which again are equal in relation to both republics. There are, on the one hand, the national jurisdictions, where decisions are made only by the national republics with a final validity, and, on the other hand, federal jurisdictions, where only federal agencies make decisions; further, there are jurisdictions which are joint or divided, where part of the problem (the more general) is decided by the federal agencies, and part of the problem (the more specific) is decided by the national republics.

The horizontal guarantee of the equality of rights concerns the organization and decisionmaking of the federal agencies. The Federal Assembly is divided into two chambers which have absolutely equal rights in their decisionmaking, and all issues which appertain to them must be deliberated by both chambers; for the decision to be valid, it must be approved by both chambers. The difference between the two chambers lies in their composition. The Chamber of People is elected according to the democratic principle of citizen equality, so that both national republics are represented there according to the size of the population. In this respect, the Chamber of People has approximately two-thirds of the members from the CSR and one-third from the SSR. On the other hand, the Chamber of Nations is elected according to the principle of the equality of rights of the nations; thus regardless of the size of the population it is composed equably; one half of the deputies is from the CSR and one half from the SSR. The formal legal problem of the Czechoslovak Federation is the fact that not even the bicameral system guarantees total equality of both nations, more specifically, in certain situations it could be possible for the Slovak nation to be outvoted by the Czech nation, because this is a two-part federation and the parity in the Chamber of Nations could be disturbed by even such a random happening as an illness on the part of some of the deputies. For that reason the constitutional law establishes a specific principle—in legal terms "veto against majority rule." Its function is to prevent outvoting the Slovak nation in a two-part federation. On certain specific issues, of greatest importance to both nations, the Chamber of Nations must vote separately—its Czech part separately and its Slovak part separately. Only if both parts give their qualified consent, will the measure (law, etc.)—naturally with the binding consent of the Chamber of People—become valid.

In this way, the Czechoslovak Federation formally ensures by political means an equality of rights for both

nations completely. Real equality is, of course, a more complicated matter, it concerns not only the legal-political side of national development, but also the economic, social, cultural, etc. But the point is to ensure as great as possible legal guarantees for the achievement of real equality as well. And the Czechoslovak Federation fulfills this requirement.

During the 20 years of its existence, the Czechoslovak Federation proved to be successful and an appropriate form for the coexistence of the Czech and Slovak nations. Obviously, its evolution was not without problems. Especially at the beginning, it was necessary to get used to new forms of management; particularly on the Czech side it was necessary to get used to the idea and especially the practice of true political equality and equality in decisionmaking. Nationalistic emotions, which arose on both sides even though out of different motives, also had to be overcome. On the Czech side, particularly among some of the intelligentsia, the paternalistic form of Czech nationalism (resulting from the remnants of Czechoslovakism in the form of an "elder brother" who "protects" the younger brother—but also properly "directs" him) turned into an open nationalism, which doubted the ability of the Slovak nation to resolve any number of issues independently, etc. On the Slovak side, again particularly among some of the intelligentsia, the "victory" in the struggle against Czech "hegemony" evoked notions of "omnipotence" of the Slovak nation, which is able to achieve everything without cooperation with the Czech nation, etc. Of course, as the wave of emotions raised by the year 1968 receded, the nationalistic wave also began to recede, even though nationalism as such obviously far from disappeared.

Gradually, the basic forms of the functioning of the Czechoslovak Federation were created, as well as the corresponding federal and national legislative systems and the federal and national administrative systems.

The current problems with the functioning of the Czechoslovak Federation are not connected with the existence of the federation itself, which is beyond question (even though there are people who have reservations about its justification to this day), but above all with the issues created of course more by today's problems of developing socialism rather then by the nature of national relations itself.

The first issue is connected with the nature of the changes in the management of the economy in particular, but of the entire society as well. If today the question of the relationship of the central directing agencies and individual enterprises, particularly in the economy, is formulated differently, it will necessarily concern also the relations of the federal and national agencies and the relations of national agencies and enterprises. As long as the federal agencies and enterprises will be searching for a new status, the national agencies necessarily will be searching for this new status as well.

The second issue concerns the entire complex of the new or renewed concept of socialist democracy. The 19th Conference of the CPSU speaks about a renewal or creation of a "state of laws," from which we, too, must draw appropriate conclusions; to treat legal norms with sufficient respect, not only from the point of view of their growing role under democratization, but also from the point of view of the binding character of laws and obligations, which are to be observed by the state as well as by the citizens. And we also have to give these norms sufficient clarity and stability. That applies to relations between nations as well, between Czechs and Slovaks, the status of the Czechoslovak republic and the Czech and Slovak republics in our society. Since the constitutional law of 1968, or rather from its modified version of 1986, there has not been in Czechoslovakia a single unequivocal constitutional document. As the Political Report of the Central Committee of the CPCZ to the Congress of the CPCZ of March 1986 states, "the time is ripe for writing a new constitution of the Czechoslovak Socialist Republic. A quarter century has passed since it was adopted. During that time important changes have taken place. Developments demanded a number of amendments in the form of constitutional laws, which have to be unified in one single constitutional document."

In the economic sphere, the developments following the establishment of the Czechoslovak Federation can be divided basically into two stages, which differ also in the changes of the line taken in this sphere from the point of view of both nations. In the first stage, the policy of equalizing the economic level of Slovakia with that of the Czech lands (or already the CSR, as the case may be) was still being brought to a close, and in the second stage a new political line was already being created—a line aimed at a greater progress in domestic as well as international integration, a line aimed at increasing the efficiency of the entire Czechoslovak economy, a line aimed at changing over from an extensive economic growth to an intensive one. The division between these lines is obviously not sharp, and to this day there are serious problems in implementing the new line.

The change of this line was also formulated in the official party documents. Already at the 15th Congress of the CPCZ in 1976, it was stated: "The 15th Congress can responsibly and with pride state that the great differences in the conditions of the economic, political, and cultural life of our nations and individual areas of our state have been overcome... We achieved a decisive progress in equalizing the economic level of individual areas, as well as in the life of the citizens of both national republics, and thus came closer to fulfilling the task of the historic program of our party." In 1986 the 17th Congress of the CPCZ stated: "We have basically achieved the equalization of the economic level of both national republics."

The basic facts concerning the economic progress in the years following the establishment of the Czechoslovak Federation confirm this change of the political line. The

differences between the CSR and the SSR in per capita production were still declining up to 1980. Per capita production in the SSR in relation to per capita production in the CSR between 1970 and 1980 was still being equalized—from 68 percent it grew to 84 percent, but in the succeeding years this percentage has been stagnating—in 1986 it stood at 85 percent. In gross industrial production per one industrial worker this percentage has been basically stagnating already since 1970—for the period 1970-86 it only grew from 105 percent to 107 percent. It is important to keep in mind that this development was influenced by the fact that investment work and deliveries for the industry have been radically declining since 1980 in both instances: per capita from a level of 110 percent in 1980 to a level of 76 percent in 1986, and per one industrial worker from 141 percent to 96 percent. These declines of course reflect also the overpricing of those investments, which showed a greater decline in the new prices than was the case in the old prices.

Even the national income created and consumed per capita and per one worker in the national economy in the mentioned relationship (SSR to CSR) has been practically stagnant since 1975 (that concerns primarily the created national income), or is declining (that concerns primarily the consumed national income). Practically already since 1970 these indicators evince at the very least stagnation, with the exception of the per capita created national income, which between 1970-75 grew from 79 percent to 83 percent, and during the following 11 years to 86 percent. It has to be noted, however, that one of the reasons is a substantial decline of the share of investments during 1980-86. While per capita investments were still growing between 1970-80—from 102 percent to 110 percent, between 1980-86 they declined from 110 percent to 100 percent. Investments per one worker in the national economy between 1970-80 basically stagnated, but between 1980-86 they registered a decline from 119 percent to 108 percent. Between 1980-86, there also has been a substantial reduction of the difference between the national income created and consumed—from a difference of 10 points to a difference of 5 points in both ratios—per capita and per one worker in the national economy. These differences are actually caused more by the demographic structure (greater birthrate, more children in Slovakia) than by the investment policy.

The policy of equalization abated around 1975 not only because the differences in the level were basically negligible. (Sometimes we do not appreciate enough the fact that achieving this equalization of two nations in such a short time is basically a unique phenomenon in the world.) The policy of equalization abated also because the extensive method of economic growth became outdated and for the coming intensive growth different parameters apply even from the nationalist point of view. At the same time, of course, it must be noted that it was precisely the policy of equalization which led to a situation where there are no substantive differences in the republic between its main regions, and also created appropriate conditions for the transition to an intensive economic growth.

The current difficulties are caused more by the problems connected with the restructuring of the management of the entire economy than by the nationalistic problems, even though naturally the process of restructuring will have an important impact on the nationalist problem as well. The orientation toward greater autonomy of enterprises will bring with itself also a greater loosening of the investment policy which will ignore national borders, for example, not only when looking for available work force (which is larger in Slovakia), but also skilled workforce, etc. Of course, inasmuch as such a route to economic progress and investment will lead to an efficient development of the total production, then under the given conditions of a relative equilibrium it can only benefit both nations.

As in every complicated situation, when obsolete ideas are being discarded and outdated structures broken up, there now exists from the point of view of nationalism, or, of the relations of both nations, a serious danger which is basically the result of a lack of understanding of the fact that we now find ourselves in a new situation which cannot be measured by the old criteria. On one hand, voices are heard from the Czech side which point out that we are now actually talking about over-equalization; with reference to on the average more modern production assets in Slovakia, they ask for some return of investments. On the other hand, from the Slovak side can be heard not only voices asking to continue the equalization, but also complaints that the production structure in Slovakia is actually not to Slovakia's advantage, because the Czech side does the finished goods manufacture from which it benefits both on the domestic and the foreign markets. It is not the point to analyze here these arguments in detail. If we were to measure and evaluate our present economic situation from the viewpoint of these opinions, we would not be able to solve the decisive problems of restructuring the Czechoslovak economy, and we would not achieve the objective of accelerating socioeconomic progress. The solution lies only in deepening not only the domestic specialization and division of labor (even though combined with a certain broadening of competition) not only on the nationwide scale, but also, and that particularly, on the international scale (above all within the framework of the socialist system). Otherwise we will be strengthening nationalism on both sides, and specific, serious problems will remain unsolved. In the social class structure, the situation, particularly in respect to the working class, was already basically equalized, which is reflected also in the results of the 1980 census. The share of farm workers and white collar workers continues to come closer in the structures of the CSR and the SSR, and only insubstantial differences now exist. There have been significant advances in the equalization of the overall educational level as well, even though with some disparities. According to the 1980 census, there is now a greater share in Slovakia among economically active people of specialists with higher education—there are 7.2 percent of them in the SSR and 6.7 percent in the CSR. A similar situation exists in the case of workers with a high school special education who graduated; in the SSR there are 17.9

percent of such specialists among the economically active people, and 17. 2 percent in the CSR. On the other hand, we must not disregard the fact that in 1980 there were 40.8 percent of workers with specialized education without graduation in the national economy in the CSR, whereas in the SSR there were only 32.3 percent. The existing differences in the education of the intelligentsia and the working class in the CSR and the SSR could have an impact on the economic growth. It is an inducement to having the appropriate planning agencies which are concerned with the further development of skills, give this problem greater attention.

As is obvious, many significant successes have been achieved in the relations between the Czech and the Slovak nations. Of course, problems, which stem not only from the past, but from the new situations and conditions, cannot be covered up. First and foremost, these problems must be solved, effectively and in good time.

Footnote

1. In contrast to the rapid growth of the number of industrial workers in Slovakia, which was higher than the increase of the population and whose share in the total number of workers in Czechoslovakia increased rapidly, the share of all workers in the Czechoslovak national economy was almost unchanged and in relation to the increase of the population in Slovakia was decreasing. In 1948 there were 28 percent of workers in Slovakia out of the total number of workers in the CSSR (while it had 29 percent of the total population) and 28 percent in 1970 (while it had already 32 percent of the total population). The reason for that was primarily the fact that during this period the birthrate in Slovakia was growing faster than in the Czech lands, and the number of children was increasing considerably. The increase of industrial workers in Slovakia was mostly the result of a comparatively rapid outflow of workers from agriculture.

GERMAN DEMOCRATIC REPUBLIC

Industry's Role in CEMA Integration Outlined

2300006Ic East Berlin EINHEIT in German
Vol 43 No 11-12, Nov-Dec 88
(signed to press 18 Oct 88) pp 991-997

[Article by Guenther Kleiber, member of the SED CC Politburo, deputy chairman of the GDR Council of Ministers: "The GDR's Contribution to Implementing the Comprehensive CEMA Program"]

[Text] In line with KPD traditions, the SED is expanding and consolidating the fraternal alliance with the CPSU and the friendship of the GDR people with the peoples of the Soviet Union.

Collaboration with the USSR and the other fraternal socialist countries, socialist economic integration, is an objective requirement for shaping the developed socialist society in the GDR, strengthening the socialist community and contributing to the safeguarding of peace. In all phases of socialist construction in our republic the cooperation with the fraternal socialist countries has been further developed and expanded at steadily higher levels.

This line, set down in the SED Program and applied in practical politics, was reaffirmed at the 11th party congress and is manifest in daily life in our socialist society. With purpose our party implements the economic strategy, based on integrated economic and social policies and aimed at dynamic economic growth. It is important here to reinforce the struggle for high productivity and efficiency and ever more and effectively link the advantages of socialism with the scientific-technical revolution which, in the current phase, is marked in the economic reproduction process being comprehensively pervaded by the key technologies.

Crucial Role of Socialist Economic Integration

In our time, the socialist community, closely linked with the Soviet Union, keeps developing its significant material and intellectual potential. Each country is called upon to make, in accordance with its own specific conditions, a high creative contribution of its own to applying the jointly elaborated basic positions. The fraternal countries' close cooperation within the scope of the Warsaw Pact and of CEMA creates favorable conditions for it.

At the conference of the SED Central Committee with the kreis first secretaries in February 1988, Comrade Erich Honecker asserted that a central place in the steps toward further implementing our economic strategy belonged to the scientific-technical collaboration with the USSR.[1] This collaboration is increasingly marked by jointly coping with important future-oriented tasks, new forms of cooperation finding application here.

In the political and economic life as in the socioeconomic development of all CEMA member countries economic integration plays a decisive role. Intensive and effective collaboration, using the advantages of an international division of labor, goes a long way toward elevating economic efficiency in each CEMA country. That also is, with it, an important prerequisite for conducting with success the historic confrontation between imperialism and socialism, the worldwide contest between these two social systems, especially in science and technology. The advances made thereby increase socialism's attractiveness and greatly help strengthen the socialist community politically and economically.

Contesting for highest scientific and technical results thus becomes more and more an effort revolutionary in nature, crucial for the successful advances of socialism and its strength of radiation in the world.

A centerpiece of the collaboration with the USSR and the other CEMA member countries is the comprehensive program for the scientific-technical progress of the

CEMA countries up to the year 2000. With this program our socialist countries have a long-range coordinated strategy for the development and application of the key technologies and a concrete concept for the division of labor in this field. From the very outset the GDR has found an obligation in it to contribute to the implementation of far-reaching goals through high achievements of its own, because only on that premise an effective international cooperation becomes possible that brings the partners together who have an interest in scientific-technical top achievements in common.

The tasks assumed by the GDR are a firm component of the science and technology state plan. And these are tasks in all five main trends of the comprehensive program: providing the economy with electronic equipment, comprehensive automation, nuclear energy development, creating new materials and technologies, and biotechnology.

Spelled out, that amounts to roughly 700 specific subjects. Important capacities are concentrated on their implementation in our republic. Fifty percent of the national budget for science and technology and a large portion of the inhouse produced means of the combines are invested in the development of the key technologies, in conformity with the comprehensive program.

A chief concern is the economic utilization of the scientific-technical results. Here the close link between basic and applied research and methods development proves a decisive prerequisite for a rapid production and export efficacy. GDR efforts in this field are documented by the fact that since the adoption of the comprehensive program in 1986 until mid-1988 approximately 230 new products and technologies were put into production. The export of these new products to the USSR and the other CEMA countries in the last 2 and ½ years reached a total of more than M 3 billion. During the same period the GDR sold more than 2,000 licenses to the CEMA countries.

Broad Economic Effect of Electronics

Establishing a broad basis of microelectronics constitutes a task of the first rank for the GDR. These efforts, involving vast economic investments, are attested to by the expansion of potentials in the combines of Carl Zeiss, Jena, Erfurt Microelectronics, and Robotron, Dresden, and also by the creation of own capacities in the combines for the development and production of microelectronic circuits, components, and software, where electronics are used at a broad scope.

The 11th SED Congress already referred to the great importance of the collaboration with the USSR and the other CEMA countries in this field. Based on agreements in CEMA, the GDR occupies an international front seat in the creation and production of special technological equipment for microelectronics and components. It makes special technological equipment for a new generation in the production of 256 kilobit dynamic storage circuits, an important point of departure and prerequisite of a still higher grade of storage circuits. That made possible handing over to Comrade Erich Honecker, general secretary of the SED CC and chairman of the State Council, on 12 September 1988 the first 1 megabit storage circuit built in the Carl Zeiss Jena Combine. That is an important accomplishment of great significance on the international scale.

Also in fields such as the production and further development of personal computers, the development of optical wave guide transmission systems, the creation of automated information systems, or the application of microelectronics in public health, the projects carried out in the GDR are subject to close international coordination.

Undoubtedly, in the collaboration among the CEMA countries all opportunities are far yet from being utilized in concentrating the potentials of the economies more still on the development of the electronics industry, mainly microelectronics. That is indispensable, however, to get to international top standards, let alone determining those standards, particularly in important fields of machine building.

New Comprehensive Automation Solutions in Machine Building

The development of flexible production techniques marks the center of cooperation in machine building, especially machine tools. They make possible a faster production conversion to highly automated mass production and a much higher degree of automation for the up to now predominant processes in small and medium-scale manufacture.

Flexible automation also creates preconditions for labor-saving operations, which taps entirely new potentials for increased labor productivity. The collaboration of the CEMA countries in this field embraces the division of labor in basic and applied research, the elaboration of the requisite technical standardization documentations as well as the development, production, and mutual deliveries of decisive system components such as machine tools, industrial robots, transportation systems, microelectronic controls, ADP installations, CAD/CAM systems, or software. At the same time important tasks are being solved in streamlining and standardization involving the entire spectrum of equipment and components as well as the matters of control techniques and software.

In conformity with the 11th party congress resolutions, scientific-technical premises are being set in the GDR for applying more still flexible automation as a key technology for boosting productivity and efficiency in machine building.

By 1990, we shall have completed 60 comprehensive automation projects in the GDR's metal-processing industry and another 35 in other economic branches. By

the end of 1987, tool machine construction here had supplied domestic and foreign customers with some 120 highly automated production systems. Since 1987, e.g., the automobile makers in Minsk have been using a flexible production system that entails a total of 41 processing centers; at present another complex—composed of three flexible production systems—is being turned over, after its successful testing, to the Gorki machine tool factory.

Machine tool designers and electronic engineers could, with justified pride, boast of the scientific-technical status of our republic's flexible production techniques on the occasion of the Leipzig Spring Fair in 1988, whereby our country is making a significant contribution to fulfilling CEMA's comprehensive scientific-technical progress program.

Peaceful and Safe Use of Nuclear Energy

The GDR, as most of the CEMA member countries, faces the need to use the available energy resources rationally and satisfy the further growing demand for primary and electrical energy mainly through nuclear energy after 1990. All European CEMA countries are planning increases in electrical energy production based on nuclear energy. For the GDR economy that is—over the long run—also the only alternative for using lignite, the proportion of which in current electrical energy production comes to more than 80 percent.

The emphasis in the GDR's participation in scientific-technical collaboration is placed on ensuring safety in the operational nuclear power plants or the ones in construction or in preparation. Other joint projects aim at reducing costs and shortening construction timeframes. The GDR also takes part in developing a new generation of nuclear energy plants.

New Working Materials—Rational Use of the Material Resources

New materials and technologies for producing them to a large degree affect the application of scientific-technical data in almost all economic fields. After all, when mechanical, electrical, magnetic, optical, or chemical properties are focused on application purposes, that facilitates the manufacture of products at lowest energy and material costs and leads to much improved use values.

The domestic raw material resources and their utmost degree of refinement constitute the basis for the GDR's participation in collaborating with the CEMA countries for producing high-grade materials and modern equipment for their own demands and for export. The breadth of assortments in various workpieces demands international science and production specialization and cooperation. In the field of semiconductor materials, e.g., the GDR achieved notable results in developing technologies and installations for growing silicon monocrystals. That holds true also for ceramic materials based on the finest powders from highly refined domestic raw materials.

The development, production, and mutual shipments of a great number of technological equipment and measuring technology have been agreed on up to 1990 among the CEMA countries. The high level attained in the GDR in the production and processing of polyurethane, high-pressure polyethylene, and polyvinyl chloride, and many experiences in process control, contribute to solving tasks on the comprehensive program in the field of plastics and elastics.

In application of powder metallurgical procedures, the GDR produces high-grade sintered parts, iron and sintered bronze sheets and high-grade electrode bands. Put into production were the first collaborative results in creating metals with improved properties. That pertains to continuous casting technology and pan technology to produce highly refined metallurgical working materials. R&D collaboration in coating, surface hardening, and surface refining aims mainly at prolonging the working life of tools and machine parts.

Future Significance of Biotechnology

The greater use of biotechnology in the GDR aims at improving the technological level and, above all, at topmost refinement in all economic sectors. The GDR's R&D potential here used is integrated into a broad international cooperation.

Procedures were developed by a division of labor for the production of new modern antibiotics and biochemicals. We are trading biochemicals with the USSR, the CSSR, and Hungary. An important contribution to fulfilling the comprehensive program are the methods developed or products manufactured in the GDR such as highly effective antibiotics and peptides new on the international markets. Efficient, microelectronically run fermentation plans are being built, too.

To keep in step with the high rate of development and of the introduction of biotechnical methods at world standards, the cooperation with the CEMA countries is steadily being deepened. That pertains to the application of biotechnology for new biological substances and medical preparations, microbiological herbicides, bacterial fertilizer, resistant varieties of useful agricultural plants, food supplements, new biotechnological methods in the foodstuffs, chemical, and microbiological industry, processing and use of waste, sewage, and exhaust gas, as well as the manufacture of special, highly automated and efficient equipment.

Speeding Up

The communique of the 44th CEMA conference states that the implementation of the comprehensive program thus far does not yet adequately affect the solution of the

task before the CEMA member countries, of achieving top positions in scientific-technical progress. It is thus the common concern of all countries to speed up science and technology, assign high targets both technical and economic, and put new products and technologies into production at short shrift. The increasing scientific-technical cooperation, especially that for developing key technologies, must be carried on through production and export by way of well timed and long-termed contractual accords. That is what structural and investment policy has to focus on.

The deeper and more comprehensive the division of labor in science and production becomes, the more pressing becomes absolutely meeting obligations assumed. In passing on research data and in making technological equipment available, as also in supplying specialized working materials and components, it is found that, especially, in the field of key technologies contract violations lead to irremediable loss of time or cause high extra expenditures.

The course, taken in the USSR as well as in other CEMA countries, at speeding up and intensifying economic development and at rapid progress in science and technology and a growing responsibility by the Soviet associations and enterprises themselves for the foreign trade activity, under the conditions of effective accountancy, make new demands on a purposeful market research and use of the market of the Soviet Union. The new demands arising in consequence of these changes have to be taken account of in the foreign economy activities of our economy. Our combines and enterprises have to stand up as efficient partners through attractive supplies to provide our republic with the imports it needs. A top scientific-technical level and excellent product qualities are as indispensable for it as are a reliable spare parts supply and appropriate customer service.

Qualitatively New Demands on Cooperation

In the joint position taken by the SED CC Politburo and the GDR Council of Ministers on the results of the 44th CEMA conference in July 1988 in Prague the point is made that the GDR attaches great importance to further perfecting the CEMA collaboration. The GDR, hence, will actively participate in the necessary surveys on a common market to be formed for the CEMA member countries over long range.

The discussion at the CEMA conference in July 1988 has shown that forming such a market is a long-range task that can come about through several stages only through which basic questions about its manner of working are to be clarified theoretically and practically and important objective prerequisites must be created. No doubt, a common market must conform to the specific requirements under socialist production relations. That includes making effective the advantages of the socialist planned economy at a higher level and, in particular, adapting the economic policy coordination and the basic trends of our collaboration, to the qualitatively higher requirements. One must develop the economies on a high technical level and better comply with the growing demands for modern machines and equipment while ensuring at a broad scope the world marketability of the products and technologies.

The long-range formation of a common market for the CEMA countries calls for thoroughly examining the social aspects tied up with it with regard to the specific conditions in the CEMA countries.

In the interactions within the CEMA countries the USSR occupies an outstanding place. The structure of production and export in the GDR and other CEMA countries as well is greatly affected by that. These relations have to be extended in the mutual interest on a stable and systematic basis.

As an important instrument for the planned organization of reciprocal economic relations within CEMA economic plan coordination is going to retain its importance. The connection of plan coordination for from 1991 to 1995 with the implementation of the long-term collective conception of international socialist division of labor and the comprehensive inclusion of the enterprises, combines, and associations in plan coordination will lead to a more accurate coordination of reciprocal obligations in science, technology, production, and trade and tap further opportunities for an efficient international socialist division of labor.

Increasing importance within the overall collaboration system attaches to direct relations of combines and enterprises of the GDR with their partners. The GDR has all it takes for that. As many as 140 accords were signed with the USSR on the basis of which direct cooperation proceeds. A priority here are no doubt common or division of labor solutions for important scientific-technical tasks, preparing specialization and cooperation accords, joint reconstruction, mechanization, and automation including operational exchange of means of rationalization. Where it proves suitable, one should also form joint R&D collectives with clearly defined tasks.

For further deepening the cooperation it is of fundamental importance that the economic interests and the mutual advantage of all partners are ensured. These requirements must be satisfied, in particular, by the foreign exchange and financial relations and the CEMA price setting system to the full extent. One should retain the rules that meet the demands and thus have proven themselves in practice. That holds true for the CEMA price setting and for strengthening the transferable ruble as the collective currency for the CEMA countries.

The CEMA member countries have always advocated a worldwide trade; it has become increasingly evident that this can be no one-way street. One must clear the way to

more trade and cooperation. An important step in that direction is the joint declaration about assuming official relations between CEMA and the EEC, as of 25 June 1988.

Steady efforts will be required to eliminate existing trade barriers. Also for mutual access to novel scientific and technical achievements pertinent conditions ought to be set up. The CEMA comprehensive program and the Eureka program of the West European countries offer various points of departure for it. In gross contrast to it, however, there is the coordination committee for the East-West trade policy, stemming from the time of the Cold War, and its embargo regulations. Realistic circles all over the world have come to realize that reciprocal relations among states with differing social orders can develop positively only on the basis of equality and mutual advantage.

The GDR will purposefully carry out the policy issued at the 11th SED Congress and thereby make its contribution to the consolidation of socialism and the safeguarding of peace.

Footnote

1. Cf. Erich Honecker, "With the People and for the People We Implement Our General Party Line for the Benefit of the People," "Aus dem Referat auf der Beratung des ZK der SED mit den 1. Sekretaeren der Kreisleitungen" [From the Speech at the SED CC Conference with the Kreis First Secretaries], Dietz Verlag, Berlin, 1988, p 31.

EINHEIT Summaries of Selected Articles in Nov-Dec 1988 Issue

23000061a East Berlin EINHEIT in German
Vol 43 No 11-12, Nov-Dec 88
(signed to press 18 Oct 88) pp 1140-1141, 1143-1144

[Text]

[Summary of article by Hermann Axen, member of the Politburo, secretary of the SED Central Committee, and chairman of the People's Chamber Foreign Affairs Committee; pp 965-971]

Patriotism and Internationalism in the Struggle of Our Time

Socialism in the GDR produces a higher type of patriotism, imbued with the communist ideals of the revolutionary workers movement. Love and loyalty for our socialist fatherland at once mean love and loyalty for the cause of socialism and progress all around the world. By linking socialist patriotism and proletarian internationalism, our party carries on the rich traditions in patriotic and internationalist thought and action by the revolutionary German workers movement in accordance with the conditions of our time.

[Summary of article by Werner Eberlein, Politburo member and first secretary of the Magdeburg Bezirk Leadership; pp 972-977]

The Housing Question in the Sociopolitical Struggle of the German Communists

Among the sociopolitical activities of the German communists—from the KPD to our party's ongoing struggle—the housing policy to a special degree demonstrates our rigorous backing of the working people's concerns and interests. In the Weimar Republic the KPD unflinchingly advocated mitigating the working people's housing distress. Heir to this tradition of our struggle—which is most impressively documented mainly by the development of Magdeburg—our party is working successfully and effectively on carrying on the housing construction program, the centerpiece of our social policy. Methods to increase the social effectiveness of our housing construction are shown.

[Summary of article by Joachim Herrmann, Politburo member and secretary of the SED Central Committee; pp 978-984]

Our Party's Alliance Policy in the Past and the Present

A presentation of the historical roots, traditions, experiences, and achievements of creative Marxist-Leninist alliance policy. Description of the range and variety of the forms of alliance taking into consideration the GDR's specific conditions and military requirements. What characterizes the new stage of alliance policy brought in by the Eighth SED Congress? Experiences, successes, and prospects of the socialist multiparty system and collaboration in the Democratic Bloc under SED leadership.

[Summary of article by Gen Heinz Kessler, member of the SED CC Politburo, GDR minister of defense; pp 985-990. A full translation of this article is published in this report]

Protecting Our Achievements, Safeguarding Peace Through Vigilance

True to the ideals of the revolutionary German workers movement, the military policy of our party and our state is aimed at preventing imperialist aggression and precluding war as an instrument of politics. What does it mean today to be a soldier in socialism? From where comes the need for continued armed protection?

[Summary of article by Guenther Kleiber, member of the SED CC Politburo, deputy chairman of the GDR Council of Ministers; pp 991-997. A full translation of this article is published in this report]

The GDR's Contribution to Implementing the Comprehensive CEMA Program

In accordance with its concrete conditions, each country has the task to make a high creative contribution of its own to applying the jointly elaborated basic positions for close collaboration within the CEMA framework. The GDR contributes to it through the tasks set down in the science and technology state plan of introducing electronic equipment in the economy, comprehensive automation, developing nuclear energy, creating new materials and technology, and dealing with biotechnology. The GDR actively seeks effective forms of cooperation.

[Summary of article by Egon Krenz, member of the SED CC Politburo, deputy chairman of the GDR Council of State; pp 998-1005. A full translation of this article is published in this report]

Our Worker-Peasant Power: the Work of Generations

The state power the KPD had sought found its fulfillment in the founding of our worker and peasant state and its mighty development. Solving the power problem in theory and practice, as the fundamental issue of the revolution, attests to our party's creative application of the Marxist-Leninist theory of revolution and theory of state. What are the characteristics of our socialist constitutional state, and how can the various forms of socialist democracy be used more effectively still?

[Summary of article by Dr Guenther Mittag, member of the SED CC Politburo, deputy chairman of the GDR Council of State; pp 1006-1011. A full translation of this article is published in this report]

Revolutionary Militant Traditions Are Fulfilled Through the Unity of Economic and Social Policy

The historic future-oriented task of the proletariat of introducing socialism to life, step by step, through its own activities and led by the working class party, which had already been made clear in the KPD Program, finds its fulfillment in our country. In a process of penetrating changes we are shaping the developed socialist society, for the further advance of which the unity of economic and social policy is an indispensable motive force. Of utmost importance for successfully continuing this policy is the promoting of a dynamic development of the modern productive forces, which requires a steady perfection of our socialist planned economy.

[Summary of article by Erich Mueckenberger, Politburo member and chairman of the Central Party Control Commission; pp 1012-1017]

The Unity of the Workers Movement on a Revolutionary Basis—The Guarantee for the GDR's Successful Development

From the vantage point of rich experiences in the struggle and in life, the struggle for working class unity is portrayed that led to the merging of the KPD with the SPD. What were the decisive stations on this road? What fundamental lessons were drawn from history? The unified revolutionary militant party—prerequisite and premise for the birth and growth of our republic.

[Summary of article by Herbert Mies, DKP chairman; pp 1018-1023]

Tradition and Renewal

Starting out from the revolutionary DKP traditions, answers are furnished to the questions what revolutionary workers policy is and what a revolutionary working class party is today. Looking forward to the Ninth DKP Congress, in January 1989, the party chairman presented the draft of a programmatic document, "FRG 2000." It amounts to "proposals for a peace-oriented and democratic reform alternative for the nineties." How does this document reflect the dialectical unity between continuity and renewal?

[Summary of article by Horst Schmitt, SEW chairman; pp 1024-1028]

SEW for Peace, Work, and Social Progress

Based on the creative application of the historic lessons from the KPD, founded 70 years ago, the SEW finds its main tasks mainly in having West Berlin make its own contribution to safeguarding peace, leading the struggle against mass unemployment and the reduction of social benefits and democracy, and for using scientific-technical progress for man's benefit, and developing ideas for a new West Berlin identity and secure future. How does the needed cooperation develop of the SED with the SPD and the Alternative groups (AL)?

[Summary of article by Oskar Fischer, member of the SED CC and GDR foreign minister; pp 1030-1035]

Socialist German Peace Policy as a Lesson from History and a Command of Our Time

As a socialist state and firm component of the socialist world system, the GDR has been and is a resolute defender of peace even, and especially, in situations critical for European peace. Through its policy of active political dialogue, its struggle for the broadest possible coalition of all forces of peace, reason, and realism, it conforms to the lessons from the struggle of the KPD as to the requirements of the nuclear and space age.

[Summary of article by Guenter Sieber, member of the SED CC, director of the international relations department of the SED CC; pp 1036-1041]

"They Have Brothers All Over the World"

Solidarity for anticolonial and national liberation movements is an inseparable component of proletarian internationalism. The line of internationalist solidarity runs from Marx and Engels via the revolutionary social democracy and the KPD to our own party's policy. What marks the KPD's anticolonial struggle since its founding? What brings out the fact that anti-imperialist solidarity with the peoples struggling for their national and social liberation has been and is a centerpiece of SED and GDR policy?

[Summary of article by Prof Dr Otto Reinhold, member of the SED CC, rector of the SED CC's Social Sciences Academy; member of the GDR Academy of Sciences; corresponding member of the USSR Academy of Sciences; and member of the EINHEIT editorial board; pp 1042-1046]

The Welfare of the People—The Legacy of the KPD

In the harsh class conflicts of their time the German communists wrote the struggle for the working people's social security on their banners and pointed out the ways needed for solving that task. It is documented how they came to grips with the consequences of capitalist rationalization, what importance they attached to the housing question, and that what they fought for has become vivid reality in the GDR.

[Summary of article by Prof Dr Helmut Koziolek, member of the SED CC, director of the SED CC's Central Institute for Socialist Economic Management; chairman of the economic science research council; member of the GDR Academy of Sciences; and member of the EINHEIT editorial board; pp 1047-1052]

The GDR as a Developed Socialist Industrial Country

The GDR's development into a modern industrial country documents the creative strength of the people who, led by their Marxist-Leninist party, proved before history that the yearning of generations for a society freed from exploitation and a development of the productive forces for man's benefit finds fulfillment. Which way have we come, and which tasks are still ahead of us for further implementing the 11th party congress resolutions?

[Summary of article by Heinz Drescher, graduate in agriculture; deputy department chief of the SED CC; pp 1053-1058]

From the Farmers' Mutual Aid Program to Socialist Agriculture

The German communists' ardent search for their rural alliance partners has materialized successfully in our agrarian and alliance policy. Democratic land reform, the transition to cooperative production, and the course, today, toward comprehensive intensification have consolidated and are consolidating the alliance between the workers and farmers. What now are the new requirements faced by our agrarian and alliance policy?

[Summary of article by Prof Dr Johanna Toepfer, member of the SED CC, member of the GDR State Council, deputy chairperson of the FDGB National Executive Committee; pp 1059-1064]

Millions of Women with Equal Rights and Committed in the Trade Unions

What has changed in women's social position since 1945, due to the working class party's policy, effectively supported from the outset by the FDGB, and what has been the women's own share in it? Which new problems arise for women with the scientific-technical revolution, and how are they to be solved?

[Summary of article by Dr Wilfried Possner, member of the SED CC, chairman of the Ernst Thaelmann pioneer organization and secretary of the FDJ Central Council; pp 1065-1070]

'My Love, My Deeds for the GDR, My Homeland'

How does the fulfillment of that pioneer mission—in close cooperation with parents, schools and other social forces—help raise the level of class-conscious education, deepen the ties of the young and Thaelmann pioneers with their socialist fatherland, develop the pleasure in learning and in socially useful activity, and strengthen, through an interesting and diversified pioneering life, the girls' and boys' bond with their organization? Experiences resulting, particularly, through analyzing the Eighth Pioneers Encounter.

[Summary of article by Prof Dr Harald Neubert, director of the Institute for International Labor Movement in the SED CC's Social Sciences Academy; pp 1071-1076]

The Great Socialist October Revolution and the World of Today

The changes and impulses of world historic importance that were set in motion by the October Revolution are more effective than ever in the struggles of our time—for safeguarding peace and further social progress. What with all obstructions and obstacles toward the birth and growth of real socialism, its real achievements attest to the vitality of Marxism-Leninism, to the impulses of the Red October with their lasting effects in the present and future.

[Summary of article by prof Dr Ernst Diehl, member of the SED CC, deputy chairman of the SED CC's Institute for Marxism-Leninism, chairman of the GDR Historiography Council, member of the GDR Academy of Sciences; and Prof Dr Guenter Hortzschansky, department chief at the SED CC's Institute for Marxism-Leninism; pp 1077-1082]

The November Revolution in Germany

The article explains why the November Revolution, decisively influenced by the ideas of the Red October, was a great chance for bringing about also in Germany a society of peace and social progress borne by the workers class in alliance with other democratic forces. For what reason could that chance not be used? Tribute is paid to the founding of the KPD as the most important sustained achievement of that until then most powerful revolution in German history.

[Summary of article by Prof Dr Annelies Laschitza, sector chief in the SED CC's Institute for Marxism-Leninism; pp 1083-1088]

Karl and Rosa

Karl Liebknecht and Rosa Luxemburg had a decisive share in the founding of the KPD. In theory and practice they significantly contributed to the further development of strategy and tactics in the struggle for peace, democracy, and socialism. Both were revolutionaries with unique profiles and independent spheres of action. Their legacy, their experiences in party policy and principles of conduct, is more vivid than ever in the life of our party and in SED activity, aimed at the people's welfare.

[Summary of article by Prof Dr Ingo Materna, department of territorial history, Humboldt University, Berlin; pp 1089-1093]

Berlin in the Days of the Revolution

Reflecting on the suspenseful course of the revolutionary struggles in Berlin, the article shows that the armed uprising and the general strike of the Berlin workers and soldiers became high points of the people's revolution against imperialism and militarism, for a peaceful, democratic, and socialist Germany. While struggling against the counterrevolution Berlin maintained its role as a bastion of the revolutionary workers movement. The KPD was forged there, in the fire of the November Revolution.

[Summary of article by Dr Hans-Joachim Hoffmann, member of the SED CC, minister for culture; pp 1094-1099]

Cultural Traditions of the Revolutionary German Workers Movement

Among the KPD's historic achievements belongs its Marxist-Leninist cultural policy—part of its struggle for the working people's political and social rights and of seeking a united and people's front against fascism and war. To what degree are the results of its culture and alliance policy efforts contributory, thanks to SED policy, to the socialist national culture of the GDR? How are these traditions being extended creatively—enriched by new historic experiences and accomplishments—through the implementation of the 11th party congress resolutions?

[Summary of article by Prof Dr Erich Hahn, member of the SED CC, director of the Institute for Marxist-Leninist Philosophy at the SED CC's Social Sciences Academy; chairman of the Marxist-Leninist Philosophy Council, and member of the GDR Academy of Sciences; and Prof Dr Rolf Reissig, director of the Institute for Scientific Communism at the SED CC's Social Sciences Academy and chairman of the Science Council for Scientific Communism; pp 1100-1105.]

Human Rights in Working Class Struggle

The authors trace the question why in the political and spiritual conflicts of our time human rights occupy an exceedingly important spot. They show, in particular, the connection between class interests and human rights. What is the historically new quality of implementing human rights in socialism? How does our country, through shaping developed socialism, steadily further perfect the human rights?

[Summary of article by Prof Dr Heinrich Opitz, director of the science area for philosophy at the SED CC's Karl Marx Party College; pp 1106-1117]

Revolutionary Ideals of Our Society

When the KPD was founded 70 years ago, the revolutionary ideals of a socially just, humane society, of peace and freedom, human dignity and solidarity were mere designs for a reality still to be created. Today they form into one image what has already been accomplished together with what the future holds. Through the 11th party congress resolutions we carry on in the GDR the efforts of the revolutionary fighters of preceding generations and thus constantly shape socialism further as it conforms with our ideal. What does it mean today to act in accordance with our revolutionary ideals?

HUNGARY

PPF Secretary Huszar on One-Party Rule, Multiple Parties, PPF Role, New Political Practices

25000055b Budapest MAGYAR NEMZET in Hungarian 29 Nov 88 p 5

[Interview with PPF General Secretary Istvan Huszar by Tamas Forro and Henrik Havas: "New Hungarian Solution, Consensus, National Coalition is Needed"]

[Text] Monday's guest on Radio Kossuth's "Good Morning!" program was PPF General Secretary Istvan Huszar, who was interviewed by the two programming editors and show hosts Tamas Forro and Henrik Havas.

[Question] We have reported about the forming on Sunday of the National Council of Hungarian Youth Organizations, then about the county conference of the Democratic Forum in Bekescsaba. We have also talked about the campaign by the Independent Forum of Lawyers and the Bajcsy-Zsilinszky Society for the modernization of our electoral laws, and the readoption of the Kossuth coat-of-arms. In other words, a great many things are happening on the domestic scene. So I was not really surprised when recently at the People's Front headquarters a Finnish journalist came up to me and asked: "Are you not afraid that Hungary might become a political and intellectual Lebanon?" Addressing this concern on Sunday, Imre Pozsgay reasserted his belief that only pluralistic political systems were capable of warding off crises. How do you feel about this?

[Answer] I am not alarmed by the new organizations I have seen and heard. I believe that our society is divided in many respects. It is also divided politically, which is why it is better if this division can clearly manifest itself and is allowed to be expressed. And this division, I think, has become a natural part of our life. It is not good to try in some way to suppress it. So I am not alarmed or concerned by the rise of new organizations. While I am aware that our society is becoming more radicalized and further differentiated, I am not concerned about the danger of our country turning into some kind of an intellectual or political Lebanon. The factors of divisiveness and the forces of integration act simultaneously here.

The Organization Is Priority One!

[Question] Yes, except that in our country the number one priority has always been unity. The kind of internal political unity which we have so often emphasized to the outside. Can unity and the division you have talked about coexist in the work of the people's front?

[Answer] Of course they can. We need only to identify the things on which we agree and the issues about which we differ. It is good to see the highly diverse characteristics of our lives so clearly manifesting themselves everywhere. So I am not concerned about this phenomenon. What we need to agree on are the issues on which we must cooperate and forge a national consensus. We should not waste our efforts on trying to get everyone to think, live and behave the same way; after all, why should everyone's thinking be tailored according to the same pattern?

[Question] What could be your common ground? The alternative organizations are talking about a certain kind of national interest, while the traditional organizations—if I may call them that—still think in terms of the traditional concept of socialism. Are these two approaches compatible?

[Answer] I hope that the so-called traditional concept of socialism is already a thing of the past once and for all. I do not believe that it is possible to revive old illusions. In other words I am convinced that even if nothing else, we all agree that disharmony and divisiveness are detrimental to society. And this is really the essence of the matter: only through collective effort can we pull our country out of its social problems. This is the point on which we and the various organizations can all agree.

[Question] Still on the subject of the relationship between the people's front and the new political organizations: Minister of State Imre Pozsgay has recently stated that this relationship is characterized by fear and aloofness.

[Answer] I am neither fearful, nor aloof. Some of these organizations have been formed within the people's front, and with many of them we already have cooperation agreements. I was also pleased to see that as we had requested, everyone has taken part in our most recent social debate by registering their views. These were not views of praise, but this is only natural.

[Question] Are you saying that there are no organizations that would be unwilling to function within the framework of the People's Front?

[Answer] Within the framework of the people's front is not quite the precise way to put it. The goal is not to cram and squeeze all these organizations under the protective shield or network of the people's front, but to find out what it is that we can agree on, and what it is on which we can't. In other words, we need not try to forge such permanent arrangements of cooperation at all cost.

Political Divisions

[Question] During last week's session of parliament we had a chance to talk with our new prime minister, Miklos Nemeth and his new minister of state Rezso Nyers. They both agreed on the need for the government of the coming period to be coalition-based, in accordance with the people's front concept...

[Answer] The power structure, hence the parliament and the government as well, must reflect these political divisions. They must reflect the conditions that exist in this country. In other, words the members of government and the deputies to the parliament should not have to come from a single party. Knowing our actual power relations, I think it is very likely that the ratio of party members in these organization will decline. [Question] How can this be made to work in practice? If instead of new parties forming we have political organizations and social strata that want to represent their interests before the public, it is not easy even to imagine such a coalition government. [Answer] It is not easy indeed. Of course, in order to change the make- up of parliament, first we need new parliamentary elections. The same holds true for changing the make-up of the government. There is absolutely no question that our political structure is still in an evolutionary stage, and that it includes many factors that could be characterized as searching for

directions. Our various organizations are also torn by internal disputes. These include the traditional as well as some of the new entities. So we cannot talk about settled political conditions which may just be what is needed to ensure continuous change also in the political leadership.

[Question] Even the thought of a coalition government presupposes that the single ruling party will relinquish its monopoly. There have not been too many examples of this in history.

[Answer] Indeed not. What we have now, however, is a single party that has taken the effort to think through the plans which it hopes will breathe new life into its own work. I hope that it indeed intends to adhere to the decision of the May party conference which states that in the future it will function not as a governing party but, as the slogan goes, a party of political discussions. And if this is so, than it is immaterial whether or not every leadership position is occupied by party members.

[Question] You said, perhaps only inadvertently, "as the saying goes." Do you mean that they are only saying it but not doing it, or that they would be doing it but they cannot do it? Or is it may be the conditions that are not yet ripe for this to become a reality?

[Answer] This really is only a slogan, not a practice.

[Question] No one wants another 1956-type of national tragedy, nor can we consider the way the crisis has been handled in Poland an example to follow. We need a new Hungarian solution, a general consensus, a national coalition. How much of this is the people's front and the party willing to go along with?

[Answer] The people's front needs to remain an independent, and clearly visible political entity. It must cooperate with its member organizations. It is a historical fact that the Communist Party and later the MSZMP both assisted in the creation of the people's front. But today the party is only one—albeit essential—of several member organizations of the people's front. It has other member organizations as well: the trade unions, the MTESZ [Federation of Technical and Scientific Associations], the Red Cross. I do not even want to list them all. Then there are the independent entities that were established under the auspices of the people's front. The people's front, therefore, is the broadest socio-political institution we have, which makes it truly capable of assessing the actual conditions of our society. And once it has properly assessed them it can also represent them on the forums where political decisions are made.

[Question] And the party?

[Answer] The party must accept this. It must carefully think through what playing a leading role in a country really means. That role is not genuine just because it is constitutionally declared; the party must be able to fulfill functions that are characteristic of such a role. Moreover, it must also be accepted by society. What are these functions? To find out it must think through its own social strategy and the Hungarian society's vision of the future, and it must design a working model of such a society. It must shape its policies on the basis of realistic analyses of actual processes. Furthermore, it must pay proper attention to cadre-related issues that need to be addressed in order to make this leading role acceptable to society. Finally, it must exert greater influence on the awareness-enhancing processes. If it fulfills all of these functions then it is worthy of playing the leading role; if not, then it can make all the declarations it wants, its leading role will not be accepted.

[Question] We have come to a very sensitive point now. On Saturday, Rezso Nyers spoke on the radio about the presence in our economy of certain informal groups and lobbies that are very difficult to define, but definitely exist and make an impact. These entities are particularly difficult to deal with. The other part of the problem is that the apparatus has always had its own, separately defined interests. These people—as you yourself said it—pay lip-service to the need for transformations, and reductions in force on the slogan level. This, however, would mean that they would have to work against their own interest during the coming period.

[Answer] We need to reexamine the relationship between the apparatus and society. We cannot have the apparatus controlling elected bodies. I, too, find it difficult to accept it when functionaries of the apparatus treat members of the Central Committee as their own activists. Such practices, therefore, must be brought to an end which requires a political decision.

On Common Grounds

[Question] One hears extreme views about the People's Front. Some claim that it is an apparatus without a membership, while others consider it a genuine center of power. We do not know where the truth lies, but one thing is certain: we were all saddened after reading in MAGYAR NEMZET about the scandalous circumstances under which the national conference of the councils ended 10 days ago. The body whose functions include recommending to parliament whom to elect as prime minister was unable to decide important questions because some of the members had never showed up, or had walked out during the course of the conference.

[Answer] Let us start at the beginning. An apparatus without membership, you say? The people's front is the organization with the smallest apparatus. It has 34 full-time political activists at its national center, 4-6 in every county, and 1 in every city. "Without members?" This I agree with, for indeed we have no individual members, only member organizations. However, the people's front councils also have people working for them who do not belong to any one organization. This is

why we are thinking about opening up the people's front for individual membership. As for the other parts of your question: I was also saddened by the situation that had developed at our last council meeting. It had to happen just when the work of the National Council really began to liven up, and when our country is faced with a rising flood of political problems. We had held meetings in October and November; we had placed important issues on the agenda, still by the end of the one-day conference the interest of the participants diminished to the point where we were unable to decide certain questions.

In conclusion, the reporters asked Istvan Huszar if they would call an extraordinary People's Front congress. Personally the general secretary supported the idea of moving the date of the congress ahead, but he also added that it would have to be held before, and not after the parliamentary elections. This will be decided by the national council. The interview ended with a couple of "rapid fire" questions. According to the answers, the people's front has made a recommendation to declare March 15 a formal national holiday. They did not, however, propose to make 6 October [The Day of the Martyrs of Arad] a national holiday of mourning. To the final question of whether or not they will hoist a flag on the top of the parliament, the guest's answer was "yes." As he told the reporter, the flag had already been flying there since last Saturday's decision by the National Assembly.

Biro Reviews Glatz Book on Rehabilitating History

25000058a Budapest FORRAS in Hungarian No 10, 1988 pp 91-94

[Review by Zoltan Biro, literary historian, tenured senior staff member of the National Szechenyi Library, Budapest, of book "Nemzeti kultura—kulturalt nemzet, 1867-1985" (National Culture—Cultured Nation, 1867-1985) by Ferenc Glatz, Kossuth Publishing House, Budapest, 1988. Ferenc Glatz is editor in chief of the popular quarterly HISTORIA, which in the early 1980's promoted historical glasnost.]

[Text] Whenever a new society emerges, its new rulers or new ruling strata necessarily start out from criticism of the past, striving to present this criticism in the sciences, politics and propaganda as completely, convincingly and as advantageously for the new regime as possible, up to the point that their own legitimation absolutely demands this. In Hungary, however, what took place on the basis of the great historical change in 1945, and especially after 1948 as "the year of change," was not just this process, which could be termed mandatory, but something far more: the repudiation of entire Hungarian history. One dares to submit this serious contention because in whatever the new regime's political elite attempted to single out and salvage from the past, as apologetics rather than criticism, even there the historical facts, events and personalities were suddenly turned inside out: they became the stripped victims of a pseudorevolutionary and pseudoproindependence revised romanticism, the models of an historical schematism, the pathetic tools of a primitive, self-justifying and legitimation-seeking propaganda. If this is what happened to everything and everyone from the Magyars' conquest of Hungary to the 1848-1849 War of Independence, and from Saint Stephen to Lajos Kossuth, then it certainly did happen also to the period immediately preceding 1945, to 20th century Hungarian history. In the spirit of the intensifying class struggle and in the interest of protecting the power of the "proletariat," every significant, more or less representative, typical stratum, institution and personality of the past simply became not only the target of criticism, but also a contagion that had to be eradicated from society's historical consciousness, and therefore from the specialized branches of science as well. Continuity simply had to be broken. Not just the political and ideological continuity, or the continuity that manifests itself in property relations, but every kind of intellectual continuity as well. In the criticism of the past, therefore, no aspiration to objectivity, adherence to historical facts or respect for values could come into consideration at all, not to mention the elementary requirement of fairness, of historical fairness. Also with this book Ferenc Glatz now attempts to undertake, or at least to provide background material for, a strongly critical yet value-respecting and value-preserving "rehabilitation" of the Christian bourgeois middle class, the only typical stratum in 20th century Hungarian society. At the same time, he attempts to restore to its proper place within Hungarian public opinion the intellectual lifework of an entire generation of eminent historians who may be said to have been outstanding in terms of their professional qualifications and performance: the generation of the Gyula Szekfus, the Balint Homans, the Istvan Hajnals and others. But the author's intention demonstrably points beyond this primary stratum of his undertaking, beyond the professional historiographic task. An aspiration so typical of Ferenc Glatz's entire activity to date gains scope also in this book, similarly as in HISTORIA, the popular periodical he edits: the aspiration to rectify in historical and political public opinion, and on some issues also in professional thinking, all the things that the regime's propaganda, able to think only in terms of what was expedient from the viewpoint of day-to-day politics, has swept aside, omitted, distorted or falsified during the past decades.

Ferenc Glatz first of all clarifies his own generation's basic standpoint and informs the reader of it already at the beginning of the book. I find this basic standpoint the most appealing, and I believe it is of vital importance intellectually that every thinking member of our generation do so, too. The author writes: "What fits into our culture, rather than what we can find to discard from our national heritage, has become our standard." And it is also made immediately clear that this approach to our own history is not only of moral value, but is also directly expedient for our society. If viewed in the context of

time and place, this expediency probably is also eternally valid, just as much as it is valid today. After all, only with this approach is any generation able "to participate in things, and shape and form them, while preserving autonomy," as Glatz formulates his generation's intention and aspiration. If history is able to teach any lessons at all, it obviously can do so only to the extent that posterity at any given time is capable of learning and rational selection, of recognizing and processing values. To this end we must build the new not from rejection of the old, but from deliberation and reality. Speaking of his own chosen field the author reminds us that no matter how warranted or just our criticism of the one-time middle strata may be, we have to bear in mind that "the cultural, technical and political apparatuses of that period organized the essential conditions of modern society's life in the Carpathian Basin." This again is interesting not only from the viewpoint of historical truth, but primarily and specifically because that construction work could offer lessons which might be valid also in an entirely different sociohistorical situation. Especially if we realize that—no matter how closely the state- and society-organizing activity of the period was associated with class and stratum interests, or how much these interest determined the functioning, orientation and even the framework of that structure—the scientists and officials who not only lived in the structure but also helped to build it had professional merits which could be useful and serve as an example even today. And they, or at least their best strata, had also another merit of special importance: in many respects they were able to rise above individual or stratum interests and serve some more general national objective; and in general the public-service ethic was not foreign to them. I suspect that Ferenc Glatz's passing comments about the gentry here and there in this book adhere too closely to the customary cliches. Perhaps also the Hungarian gentry's history and role ought to be depicted more accurately and in a more differentiated manner. However, this is not the task which Glatz has undertaken. But he is certainly right in that specifically this bourgeois wing of the Christian middle class, rather than the declining and already enervated gentry or gentroid middle class, supported rationality, professionalism, pursuit of perfection, and European modernness, in organizing Hungarian society and in the state structure at that time. Which is a merit of this bourgeois wing even if it may justly be faulted for other characteristics and errors. Among other things, for instance, it may be faulted because many of its eminent personalities were able to view Hungarian history "from above," intellectually, with superior erudition and keen historical perspicacity, while they themselves were helping to shape Hungarian history; in their conduct and political accomodation, however, they strived so hard to be involved that they often went astray and suffered moral damage in the process of accomodation. If it can be said of the gentry that mainly its lack of adaptability, its inability to adjust to history, swept it to the sidelines, then it is especially true of many of the personalities within this stratum that they tried too hard to adapt and to keep pace with history; and although their scientific works survived the reversal of their fortunes, as politicians they lost their way. Among the politicians, perhaps only Klebelsberg left us relevant works on cultural policy. This again is another of the book's messages not directed to the present in general.

In addition to providing sketches of the great historians, Ferenc Glatz also attempts to outline the social processes of fundamental importance that influenced in this century not only our specialized branch of science, but our entire national culture and national political culture as well. Among these processes, the terms and effects of the peace treaties Hungary was forced to sign after the two world wars were unquestionably the most important for the entire Hungarian nation, and in part from the viewpoint of Central Europe as well. This explains why entire Hungarian historical thinking and political behavior placed so much emphasis on national problems, and why the question of national minorities shifted to the forefront of attention. Also from the viewpoint of the historian and of historical science, the author correctly contends that with the loss of so much territory under the Treaty of Trianon "Hungary was practically swept off the stage of history." From which there followed not only a shift of emphasis from the nation state to national culture as well as the unprecedented importance attached to the questions of nation and national minorities, but also the fact that the historical background of things, of the social processes, gained more and more emphasis in thinking, penetrating much deeper than before into politics and the entire arsenal of political arguments, and thereby also into everyday political propaganda. Historical science emerged increasingly in politics with a force that determined the character of national culture. Or as the author puts it: ". . . often modern historiography practically becomes a 'substitute' for political science and assumes a very important role in the ideological sphere." The importance of this process in Hungarian public life is clearly evident, among other things, from the fact that bourgeois radicalism—despite all its efforts and search for points of contact with Western Europe—became isolated within Hungarian society and was never able over time to break out from this isolation. Klebelsberg is probably right in his assessment that the reason for this must be sought in the lack of a "sense of history"—i.e., in that bourgeois radicalism was incapable of associating itself with the Hungarian perception and view of history, and failed to recognize their importance in politics and public life. Szekfu realized with keen insight specifically that Hungary could be modernized, and brought closer to the western half of Europe, only by starting out from Hungarian history. His mistake was to attempt to dislodge from general consciousness the traditions of Hungarian independence, which was not feasible also for historical reasons. And Ferenc Glatz is also right in his criticism of such attempts when he notes: "When thinking of independence, the common man does not heed the historian, but relies on his everyday experience of the present." The Treaty of Trianon, and in part the view of history

formed after Trianon, provide the most cogent explanation as to why official Hungary pursued the very policy it chose to pursue during World War II. In conjunction with Balint Homan, Ferenc Glatz notes that one of the most important motives for deciding to adopt a pro-German line in politics was the not unfounded fear that, in the wake of growing German mistrust, the neighboring countries would march into Hungary along with the German Army, to reclaim the territories reannexed to Hungary and perhaps to even gain more territory from a possible further carve-up of Hungary. When considering the official Hungarian policy at that time, we may label it a mistake or even a crime, but we cannot disregard the facts entirely when passing moral and political judgment. Ferenc Glatz correctly notes: "That Hungary was able to preserve a significant proportion of its armed forces; that it sent to the front an incomparably smaller force than what the Romanian Army, viewed as the principal enemy, had sent; that Hungary was able to bar the extreme right both from the upper and the lower levels of government; and that Europe's largest population classified as Jewish at that time was able to live in Hungary, in the very center of Nazi Germany's sphere of influence—all these facts appeared as undeniable results to the camp that pursued a pro-German line because of foreign-policy considerations, and hence to Homan as well."

Ferenc Glatz does not fail to examine this same range of questions also under the post-1945 situation in Hungary. Here the earlier effects of Trianon are compounded by the terms of the peace treaty dictated to Hungary after World War II. Set and cured, the aggregate of this century's wrong turns and tragedies weighed heavily on general consciousness and the nation's historical awareness. This in itself was more than enough for a crisis of national identity to develop, and was aggravated by the political and "production identity crisis that rapidly and necessarily developed in all social strata, as a result of Stalinism's and the Rakosi regime's policies which swept aside all humane considerations, of their ideological confusion, and of their propaganda that dispensed with all facts of the past and present." In the last chapter of his book Ferenc Glatz investigates the questions of Hungarian historiography during the past 40 years, in the light of the aforementioned identity crises. The review and characterization of this chapter would require more space than what is available. Allow me to close here with just one quotation. It identifies the timely tasks of historians, and of the current generation, in providing answers for the most pressing questions of our time. And it also reveals that these questions concern not only Hungary, but Central and East Europe as well. There can be no doubt that, in the aforementioned questions, the crises caused by the dictated terms of the peace treaties and by Stalinism now appear jointly and intertwined: "And we wonder what historiography in the neighboring countries would be able to say in answer to the question as to how successful the successor states have been in closely integrating the territories they were awarded in 1920, into a production community of the kind that every modern state aspires to create?" Bungled history has created in this region relations and situations that are necessarily confused and unclarified. Therefore also the shaping of this region's future cannot be imagined without jointly arriving at sound historical value judgments. It is the task of the new generations to create once again a clearer situation and more humane conditions in the countries of this region. And this is why they need strength to face history, both jointly and severally. The tasks of rectification are not tailored to a single generation. But they may not be postponed or deferred to vague posterity, either.

POLAND

POLITYKA Weekly News Roundup

26000234b Warsaw POLITYKA in Polish
No 51, 17 Dec 88 p 2

[Excerpts]

National News

Throughout Poland, efforts to help those hurt during the tragic earthquake in Armenia have sprouted. The account number to which aid can be sent is PKO 1616-1616.

The Second Congress for the Culture of the Polish Language met in Katowice under the patronage of Wojciech Jaruzelski. [passage omitted]

Minister Mieczyslaw Wilczek has presented a new conception of the development of motorization. [passage omitted] Briefly, it depends on resigning from the license for a mid-sized engine car and using the credits for the production (in Silesia and in Zeran) of a larger than planned number of small-sized engine cars, 600,000 units, of which 100,000 would be exported to pay the credits; the remainder would be for the domestic market and could be bought on credit. The government has announced that, beginning with the new year, assignments for cars will be liquidated and that, in April, gasoline rationing will be ended. It was also reported that until now miners had received 30 percent of the assignments; health service employees and invalids, 15 percent; agricultural, forestry, and veterinary services, 15 percent; communication, transport, government bodies and the state administration, civic organizations, and journalists about 20 percent; individuals in services, 5 to 6 percent. A form of credits for individuals in the above categories to facilitate the purchase of cars at market prices is being developed.

Public opinion of assignments of cars was discussed by the Public Opinion Research Center. Of the respondents, 85 percent said that the assignments are a privilege for the select few, but that they are necessary in the present situation. Only 13.6 percent said that it is an unjustified privilege. Who should receive an assignment? Most

frequently they listed: invalids (79.5 percent), veterinarians (68.8 percent), doctors (65 percent), and Polish Red Cross nurses and social care providers (50.1 percent); then they listed, foresters, mail carriers, journalists, farmers, small-craftsmen, and teachers; and at the very end, they listed scientific workers, members of the highest levels of the government, priests, and directors of enterprises.

The Civic Committee for the Renewal of the Monuments of Krakow has been in operation for 10 years. During this time, as was stated during the session of the Committee, more than 800 objects have been renovated and 10 billion zloty, $320,000, and nearly 120,000 rubles have been collected for the project.

From the press conference of the government spokesman. Concerning the question of Katyn, Minister J. Urban responded: "I confirm, as incidentally the report on the meeting of the commission of Polish and Soviet historians stated, that the Polish side presented Western documentation and the information that could be collected from the Polish side, and that these documents have not been undermined. On the other hand, I know nothing of the range, methods, and ways of access of Soviet scholars to Soviet archives. It is a fact that it is necessary to establish the facts on the basis of Soviet documentation. For us the most important thing is the will and determination expressed by Mikhail Gorbachev during his visit to Poland that this and other, similar issues be studied exhaustively and completely. The Polish side has nothing to announce unilaterally since that must be based on a determination of the facts, and these facts must be sought in the Soviet Union. This is the actual position of the Soviet side and has been expressed by the most authoritative individual." [passage omitted]

Sailors and fishermen have appealed to the Constitutional Tribunal to determine whether the resolution of the Council of Ministers defining the principles for employment with foreign shipping firms comports with the law on trade unions and the labor code. The union federation believes that transferring these issues to the central foreign trade agencies is less favorable to the sailors and fishermen than if the trade union dealt with them.

The union federation of technical workers of the health service has raised wage claims and announced that if they are not met it will begin protest action.

The minister has rescinded the provision of the telecommunications regulations permitting the monitoring of the contents of telephone conversations and telegrams and the dependence of the performance of these services on an evaluation of whether the contents comport with the constitution and the communications law. The president of the Chief Administrative Court applied to the Constitutional Tribunal questioning this paragraph, but the minister rescinded it without waiting for the hearing before the Tribunal.

The Maritime Section of the Association of Journalists of the People's Republic of Poland protested against the obstruction of journalists' access to information, which violates the press law and prevents journalists from performing their professional duties.

The causes of the air catastrophe near Rzeszow have been explained by the commission appointed for that purpose: the accident was caused by the failure of both engines of the AN-24 during the landing approach. That was caused by icing in a layer of clouds when the crew turned on the anti-icing equipment too late. No irregularities in the technical condition of the airplane or in the performance of the air services was found.

There was no one interested in an apartment in the 45-family apartment building in Wieruszow in the Kalisz Voivodship. Nineteen interested parties were recruited because no one or nearly no one could afford to live in such an expensive apartment. In Ostrow Wielkopolski, the monthly credit payment with interest and rent in new apartment buildings is 40,000 zloty for a four-room apartment. [passage omitted]

Payments for radio and television services will increase on 1 January. For radio and television, the fee will be as much as 450 zloty monthly; for radio alone, 65 zloty. [passage omitted]

On the Left

[Passage omitted] "FRG 2000" is the title of the program document of the German Communist Party. It contains, among others, the following statement: "The German Communist Party assumes that the overthrow of capitalism is not a task for the near future." Humanity can survive on the condition that imperialism, including that in the FRG, "becomes peaceful." "Long term, democratic struggle for peace and disarmament is possible" even under capitalism. [passage omitted]

The daily of the Vietnamese army, QUAN DOI NHAN DAN, stated that Vietnam should defend "the proper interests of the Vietnamese" employed in the USSR, the GDR, the CSSR, and Bulgaria. It should have a portion of their wages paid in convertible rubles and also arrange visits by the parents of the Vietnamese workers. The workers should have the ability to send money and consumer goods to the families and benefit from customs exemptions. There are about 200,000 Vietnamese employed in the mentioned countries.

The Estonian Supreme Soviet upheld its resolution on its right to reject decisions of the Presidium of the USSR Supreme Soviet; it again recognized the Estonian language as the official language and defined the stalinist repressions as a crime against humanity. The first decision of the Estonian parliament on 16 November 1988 was rejected by the Presidium of the USSR Supreme Soviet.

Vadim Zagladin, secretary of the Foreign Affairs commission of the Union Council, testified that there is no official prohibition against the publication of the works of A. Solzhenitsyn in the Soviet Union and that the journals themselves decide what they want to publish.

Yevgeniy Velikhov, deputy president of the USSR Academy of Sciences, confirmed that 31 years ago in 1957 a serious nuclear accident occurred in a Soviet military facility in the Urals. So far no information about the accident has been published because "it occurred in a military facility before glasnost and perestroika."

Jiri Hajek, former minister of foreign affairs for Czechoslovakia during the Prague Spring in 1968, has received permission from the CSSR authorities to go to Austria in order to present a paper on human rights in Graz, at a symposium in honor of the 40th anniversary of the General Declaration on Human Rights to which he was invited by the Austrian Institute for Peace Research. This foreign trip is the first by Hajek, a well-known signatory of the Czechoslovakian dissidents' Charter'77, since 1969.

"Stalinism has left a heavy, immobilizing heritage in the communist movement. We will overcome it once and for all if we base ourselves also on the positive heritage of social democracy," said Rezsoe Nyers, member of the Politburo of the MSZMP Central Committee and minister of state in the Hungarian government.

On Margit Island in Budapest, a demonstration organized by the Hungarian Communist Union of Youth (KISZ) to support the call for a general solution to the housing problem was held. The young people protested against the lack of any prospect of getting their own housing and insistently demanded decisive reform in the housing economy.

Opinions

Father Dr Edward Szymanek, supervisor general of the Society of Christ for Foreign Polonia:

[Question] The second largest Polonia behind the American one is the Polonia in the USSR—1.15 million people. Do the Jesuit priests intend also to provide them with pastoral care?

[Answer] We have not made any official attempts. We remember that Polonia exists. We speak about this where it is necessary. We have made no applications for permanent emigration yet because the countries which we have served still need new priests. When real conditions for pastoral work among the Polonia in the East develop we will surely not be absent. In such a situation, however, the entire church in Poland will have to exert great efforts.

(Interviewed by Ewa Staniewicz, NOWE ZYCIE 4-17 December 1988)

Prof Dr Marian Stepien, editor in chief of ZDANIE:

"The opinion that the phenomenon will be overcome by ending of the *nomenklatura* (whose operation should be significantly reduced and is being reduced already) or by the party "moving over" in the central state authorities and forming a coalition government (which is in its way appropriate) is based on an illusion and underestimates its reach. This systemic and mutual-support mechanism, embedded in various structures at various levels of the authority apparatus has great defensive power in the face of which the central authorities have had to yield more than once. Second, the presence of this order is not a "privilege" of just the party, or allied parties, and groups associated with the exercise of authority in the state. It has analogous organizations in the structure of the Church and in the organized opposition circles, where it functions in a similar way but serves someone else."

(ZDANIE October 1988)

Prof Dr Jarema Maciszewski, historian:

[Question] In March, Professor, you spoke in the Sejm of the Soviet side handing over of 100,000 frames of microfilm of new archive documents to Polish historians. In time, they will surely be published. But the "Katyn Lists" known from the German-supported Polish-language press during the war could be made available to public opinion.

[Answer] They will surely be published. We must remember, however, that according to the German sources 12,000 individuals were murdered in Katyn, the Soviet sources speak of 11,000, while the Red Cross version speaks of 4,143 persons buried there and of an undefined number of bodies in an unexplored grave, in which, it is estimated, at most 200 persons are buried. The German, "Katyn Lists" definitely contain the names of individuals who did not die there. Some were murdered by the Germans in occupied Poland; others survived the war, for example, one professor of Warsaw University who is alive today.

(Interviewed by Zygmunt Rola, GAZETA POZNANSKA 28 October 1988)

Leszek Drozdowski, secretary of the Group Committee of Young Democrats in Klodawa:

[Question] Do you have your own political program?

[Answer] We identify with the ideas of the SD. At our meetings for some time now, we have been discussing the possibility of supporting the private sector to give it the same rights in all sectors of the economy. Since the beginning of 1987, we have also discussed the form of an appeal by the Group Committee on the issue of creating the office of president. We also support the Legnice proposal by the democratic group on the issue of the crown for the eagle in the national emblem. Nowhere is

it said that the eagle cannot have a crown since for hundreds of years this symbol has appeared in the emblem of our state. We have also devoted a great amount of time to discussion of methods to broaden the genuine rights of local self-government. The last elections convinced us that as long as there is a key there can be no democracy. We take the position that the economy should be directed by the principles of economics and not ideology; thus, in our opinion, there should be union pluralism and individuals who hold important functions in the PZPR should not lead the unions."

Interviewed by Anita Nowak, ILUSTROWANY KURIER POLSKI 3 November 1988)

The opinions and views cited in this section do not always agree with those of the editors.

YUGOSLAVIA

Current Passive Attitude of Croatia Analyzed

28000046 Zagreb DANAS in Serbo-Croatian 27 Dec 88 pp 7-9

[Article by Jelena Lovric: "The Messages Conveyed by a Certain Silence"]

[Text] When it warms up, even Croatia—the most recent forecast from certain quarters indicate—will have its spring, a consistent and lengthy silence will allegedly find its tongue, and, following the line of the cloning of leaders of the nationalities, it may even get its own brand new "ban" [warlord]. (To be sure, it is almost impossible to predict who that ban might be, but back just slightly more than a year ago it would have been difficult to detect charismatic figures in some of the present untouchable "leaders.") For example, Zarko Puhovski, who has always had a mind that was entirely his own, even when his opinion met with closed doors in Croatia, has recently said in NEDJELJNA DALMACIJA that it seems to him that "in coming months, in the spring, as is usually the case, there will be a stronger political commitment in Croatia, if for no other reason than for the sake of symmetry, which is always fully operative in Yugoslavia. As they say, a system in which there are five republics and Croatia will not last long," Puhovski explains.

Has Croatia, alone of all the republics and provinces, really sunk into a silence not knowing what to do with itself, or is that fluidity, that elusiveness, that definition of Croatian policy that is said not to be firm enough, only an appearance that serves it as a secret weapon? It should be taken as a compliment and not just as the public's mere inquisitive curiosity concerning the content of Croatian policy. Not just because all others know clearly what they want or have set forth their national programs or have acknowledged their economic bankruptcy, which does not allow them to think about anything else except how to make ends meet. Croatia has always been one of the important constituent factors of the South Slav community, and down through history the Croatian question has quite often been decisive to its development.

That is why the notion of the present "floating" course of Croatian policy is seen by some as self-discipline, while others proclaim it to be a self-imposed silence; some think it arises out of caution, while others interpret it as fear; some speak of the wise Croatian silence, while others judge that it has put its tail between its legs in cowardly fashion. Some feel that this neutral, so to speak, Swiss attitude on its part is a welcome stabilizer in the nightmarish Yugoslav situation, while others are more inclined to the interpretation that this nonaligned position, this evasion of clear commitment, is merely perpetuating the unequal struggle at the federal level, and is thereby unnecessarily exhausting the entire country.

At a time when raised voices prevail on the Yugoslav political stage, then anyone who attempts to nurture a civilized dialogue appears eccentric for thinking it is possible to converse normally when almost everyone else is shouting at the top of his lungs. Sometimes, probably, the idea of the Croatian silence is intentionally exaggerated, since anyone who in the overheated, and sometimes even hysterical Yugoslav cacophony attempts to act calmly and have a calming effect appears in a way to be lecturing all the others. And anyone who avoids classification is seen as someone who does not know his own mind.

Fluid Possibilities

The Croatian leaders, of course, steadfastly reject all comments as to their supposed indefiniteness and silence. Thus, Celestin Sardelic, a member of the party presidium and one of those not very frequently encountered individuals whose thinking is always precisely known, has said that "Croatia is not keeping silent, nor will it." And Drago Dimitrovic, secretary of the party organization in that republic, argues: "If we are silent, if Croatia is silent, how is it that we are constantly debating the foreign exchange law, the budget, the anti-inflation program, and other issues? I think that there is quite a bit of tendentiousness in the very premise." Dimitrovic adds, "Croatia has responded to all initiatives with Yugoslav attributes in the framework of federal institutions, in the Assembly and the Central Committee, with clear views. And when any phenomenon in Yugoslavia is at issue, it is our intention to speak about those issues above all through federal bodies."

In choosing that road, the road of community spirit and the road of legal institutions, Croatia has itself helped to make its voice less clearly recognizable than it should be. However, today that republic is nevertheless more a region of fluid possibilities than a field of certainty. As though it is entirely in some interlude, in some gap, entirely somehow in between. Somewhere between its

past, which is still exerting inexorable pressure, and its future, which it is utterly unable to reach, between its ideology, which has been moving in a direction opposite from its economic interests, between dogmatism and democratization, between hostilities with certain other parts of Yugoslavia, at one time related to the mass movement and later to the White Paper, and its present permissiveness, which is mindful not to irritate other communities and other nationalities in any way, between the present cease-fire and the storms which have been announced and which some people crave and call for, between the old strong leadership in which individuals were unable to reconcile themselves to their departure from the political stage, and the new leadership, which would like to move out from their shadow, but which still, either because of inexperience or an inclination to be easygoing, left to them the authorship of the harshest criticism of the new Serbian leadership, which was delivered by Milutin Baltic.

Croatia as a whole is somewhere in between: it is on its soil that the Balkans begin, but what is called Europe also begins on its territory. The collision between what comes from the East and what is arriving from the West is inevitably felt in it. It is in close contact, somewhere between Serbia and Slovenia, and not just in a geographic sense. It is true that words of support for the firm line of Slobodan Milosevic have been sent from here by certain politicians who are already ex-politicians (and the former politicians, by contrast with the present ones, have been sharply divided in this area, and that has been visible), and supposedly he has also received euphoric telegrams even from here. Probably there are affinities which have not been made public, since the style of "revolutionary steadfastness" and elimination of those who think differently has had its strong supporters even in Croatia in the not so distant past. Official policy has wisely held back from open assessment and commitment.

Although frequently, usually pursuing its economic interests, it sided with Slovenia, as on the occasion of calling for the vote of confidence in the Mikulic government, Croatia has usually not been so resolute and persistent in defending its own interests. Is this only a consequence of a certain Croatian insecurity about economic matters, since its necessary orientation toward an open economy—because of shipbuilding and tourism the Croatian economic structure seeks an outlet to the world even more than that of Slovenia—has for years had to compete with varied ideological exclusiveness, with strong advocacy of the consensus economy, with the representation of the Long-Range Economic Stabilization Program as a package of firefighting measures, and with the fear of capitalization, so that as Tomislav Badovinac said this spring, up until even 2 years ago one did not even dare mention the market economy in the Croatian LC Central Committee?

Croatia is taking great pains not to be a destabilizing factor in Yugoslavia, so that the Croatian political calm or lethargy (depending on the point of view) has taken its place between Serbian and Slovenian radicalism, which, although they cannot be equated in quality, sometimes suffer from the same degree of an exclusiveness which is unable to listen to anyone but itself and between the tectonic movements of the masses in the two communities. To be sure, even that is relative, since it is not possible to speak of any political calm when we know, for instance, that the number of strikes is the highest in Croatia. This does not mean that there are no grounds in other communities for the same amount of social dissatisfaction or that life in Croatia is less tolerable from the standpoint of social welfare than elsewhere. But it can mean that that social revolt has not been directed into the waters of ethnic dissatisfaction by crafty political manipulation as it has been in certain other regions. That social revolt, because of monkey business embodied in the system and because of its own immaturity, which still does not know about striker solidarity, has remained fragmented and therefore ineffective. That is why it has still not managed to upset Croatian politics to any serious extent.

Probably the impression of the relative calm of Croatian politics also comes from the fact that it does not suffer from excessive self-confidence; militance is alien to it; it is not inclined to shortcuts and strong words; it does not go head first into a wall, but moves cautiously through political terrain as though it is walking on eggs, or smiling in every direction, so that Croatia has rightly come to be called the "land of the smile." Probably some of this tranquillity is also a consequence of the traumas in the seventies. After all, as Dusan Bilandzic has written, "following the showdown with the mass movement, the political leadership of SR Croatia limited the freedom of critical debates to a considerable extent out of a fear of opening up the possibility of a differing interpretation of day-to-day politics than that which it officially composed. That ban applied even to those who supported the campaign against Croatian nationalism, but who had somewhat different thinking about current ideological, political, economic, and cultural problems, which resulted in a deadening of political life." Political rigidity and narrow-mindedness responded to the first signs of the thaw in the eighties by slapping them with the White Paper.

But certainly a portion of the "fluidity" of Croatian politics also comes from the fact that a leadership which itself is not politically united cannot make a firm and unambiguous impression. To be sure, this perhaps is not evident at first glance, but on certain occasions one cannot help but see this. Official Croatian politics is made up of three minorities, almost equally powerful or powerless. Some are even regionally defined. One is after the old pattern, is more inclined to the consensus economy and to the ideological struggle waged by compiling a "herbarium of evil." The second is a protagonist of positive changes and initiatives, from the economy to political life. Perhaps the strongest current is the one which is pacifying them, which feels that every unpleasantness should be postponed, should be played down,

which deep down is more inclined toward the old, but is so intelligent and crafty that it tries to conceal this, which talks about democratization, but which feels that in party work the experience of security forces may be valuable, which speaks about creativity, but relies on mediocrities which are virtually in a state of political vegetation. Although recently Drago Dimitrovic openly said that "any evasion of tasks or the belief that it is best to postpone them constitutes a denial of our principles and places question marks on our abilities to resolve the problems in this time," still, if one is to judge, say, by the names proposed in the last meeting of the Croatian LC Central Committee to renew leadership personnel, then this central line in the Croatian party, at least in its leadership, has the upper hand. New people certainly should be given a chance, but should a slate have been adopted which with few exceptions consists of nobodies, or should the party, if it is to authentically become stronger, have taken into the first echelons people who already have their own name and their own prestige?

But it seems that it is that characteristic of the Croatian leadership, the fact that it has no figures in it that would be untouchable nor groupings that would feel themselves to be dominant, which on certain other occasions would have been interpreted as a handicap, has actually become its main advantage. Not only in terms of the direction of its commitments, but also because of its "loose state," the Croatian leadership is not keeping the situation under tight political control. Which is why it enjoys the silent support of the public, a support which is not based on its performance, but on the simple fact that it makes it "easier to breathe." After years in which ideological sentries succeeded one another in guarding the indubitable nature of the public arena—if there actually existed anything of the kind, the clamps have been loosened for some time now, some top intellectuals have returned to public life after a long absence, and today they are more vocal than Croatian politics; there have been breakthroughs in the democratization of the election process and certain attributes have been adopted such as the secret ballot and multiple candidates (which in the last election was not pursued so consistently anywhere as it was in Croatia), and the newspapers have become more open and critical, and the measure of the democratic climate in Croatia is today judged by some of them.

But, it seems, what has recently been determining the political climate in Croatia more and more strongly is its Yugoslav orientation. Drago Dimitrovic recently said—and it is easy to see that he is right—that there is no program in Croatia that could be called an exclusively Croatian program. Especially no program that would be associated with any program of a nationality that exists in Yugoslavia. Not only by its historical memory, whereby it has always been a strong advocate of federalism, but also by its geographic position, Croatia has been oriented toward Yugoslavia, and it seems that that awareness of the inevitability of community is determining its policy ever more strongly. "We have attempted," Dimitrovic says, "to make a maximum effort at the level of Yugoslavia, including both the political and the professional aspects, in seeking and shaping positions and solutions acceptable in Yugoslav terms. The commitment and the results achieved by the personnel from this republic in shaping the amendments related to altering the economic system, to formulation of the commitments of the First LCY Conference are altogether recognizable...."

Shortcuts

Just in advance of the 17th Meeting of the LCY Central Committee, the party leadership in Croatia judged that the difficult economic and social state in which Yugoslav society found itself could not be resolved by partial or separate programs nor by any kind of ethnic homogenization, but solely by actions and initiatives taken at the Yugoslav level. Insisting on democratization as the only acceptable course for our society, the Croatian LC Central Committee at that time rejected as unacceptable all methods and options offering shortcuts that bespoke undemocratic procedures and which attempted to extort concessions under the pressure of roll calls and witch hunts. In any case, it probably is no accident that the most stirring and poetic appeal for reason and community, the well-known "Dream of Yugoslavia," was delivered in Croatian political space and that its author, Ivica Mastruko, is one of the greatest public authorities, not only in Croatia, but also beyond it.

In any case, Croatia is not one-dimensional, nor is it homogeneous, it cannot be reduced to just one tone, to one song, to one leader, to a certain future. In which direction will it move? There are quite a few people who think that in the coming period there could be a new liveliness. Thus, the cautious Drago Dimitrovic said 3 months ago that we "are obviously more and more in situations when it is not easy to be quiet either. I suppose," he said, "that in coming months it will be evident how much strength and how much need there is for certain commitments possibly to be uttered more loudly." There is no doubt that there are quite a few people who would like Croatia to advocate its views more resolutely. But they are differently inspired. Some think that it should be more confident, stubborn, and insistent in fighting on the ramparts of federalism and the Yugoslav orientation. Others would support from the bottom of their hearts another kind of liveliness which they refer to as ethnic awareness, even though that state is very close to an ethnic swoon. It is precisely its most rabid enemy, that other nationalism, that needs Croatian nationalism most. No one has a greater desire for Croatian ethnic passions to be inflamed and for homogenization to take place on that basis. It is to them that Croatian nationalism is becoming increasingly indispensable. What so far have they left undone in helping it to catch fire? How much fire could each of them produce if they helped one another with fraternal enmity?

Croatian politics has not allowed itself to be seduced onto the thin ice of nationalism, rejecting even any mental reservation about "ethnic reconciliation," which

was all the more important to it and easier for it since it is in this area that there have been constant attempts to test it and compromise it, even with the open assertion that the situation is virtually the same as in 1971, that Croatian nationalism is now applying the tactics of the long march through institutions, which is supposedly why, since it has infiltrated all the key positions, it is protected by official politics and should not be too loud. Croatian politics has never concealed its view that nationalism is a treacherous enemy and that caution should always be shown in this regard. But the assessment that everything that exists on the Yugoslav scene also exists in Croatia was rounded out by the observation that it is all less explosive and less eruptive. But it is still more important that politics in Croatia has been constantly emphasizing that it is in the "vital interest of Croatia and Yugoslavia that when the activity of nationalism has stepped up in certain communities, nationalistic activity not flare up in others."

A New Liveliness

It is certainly true that nationalism in one community has always evoked and produced other nationalism except when it has been opposed by a policy of Yugoslavism and community spirit. Some people are so interested in a destabilization of Croatia that they would produce Croatian nationalism even from mud. But nothing supposedly can so offend the ethnic sentiments of Croats as the question of what the language is called. Thus, informed people say, the recent decision of the Constitutional Court of Yugoslavia pronouncing the provision on language in the Croatian republic constitution to be unconstitutional will open so many Croatian mouths that all questions and remarks about its silence will become inappropriate. Is it with that same objective that "radioactive waste" has precisely at this moment been discovered in Kordun, which is inhabited mainly by Serbs? Letters to the effect that they are not giving up their Kordun and how they will not be moved out of it (presumably drawing a parallel with Kosovo) have already infallibly turned up in newspapers which know precisely what they want.

The new liveliness in Croatia might also be established in connection with the upcoming preparations of next year's elections. Those who are prepared to risk everything for their destiny in disrupting the elections will probably not stop short even of arousing and dividing the public on that occasion. That would not be difficult to achieve at all, since the present unity in the Croatian leadership is more one for the occasion and the situation than based on a program or conception. There remains, then, the question of whether Croatia will find the way out of its silence, if that is what it is, along the line of that ethnic vocalism which is now being promoted in certain other communities and with which—we will be so bold as to forecast—it will easily find a common language, not only because Croatian nationalism would have been given justification, but much more because for some time now it has been waiting for it with a map of Yugoslavia under its arm, ready to agree on a new partitioning by agreement? Or is there really a possibility that in Croatia a move will be made from the present almost neutral position that would, as Zarko Puhovski says, mean something to the Yugoslav democratic option? This does not depend exclusively on Croatian politics, since those who are criticized for not being vocal enough have—by pursuing their commitment or by force of circumstance, it makes no difference—opened up space for a new public in which authorities will be created and verified by natural process, not by the power of political office. No, then, to a Croatian call to arms, but yes, certainly, to a "glasnost" in Croatia and then in Yugoslavia as well.

Slovene Youth Activist Interviewed on Work in Belgrade

28000042 Zagreb POLET in Serbo-Croatian
11 Nov 88 pp 18-19

[Interview with Igor Lavs, chairman of the Commission for Information and Mass Communication of the Socialist Youth League of Yugoslavia, by Sasa Drach and Ivica Buljan: "The Dangers of Democratic Totalitarianism"; date and place not given]

[Text] POLET: When you came to Belgrade, you probably had certain preconceptions. How different were they from what you have encountered here?

Lavs: Even before coming to Belgrade I had worked for the Socialist Youth League of Yugoslavia [SSOJ], mainly in connection with Youth Day, since in Slovenia I had worked as secretary for celebration of Youth Day. That was at the time when we had all those scandals, from the poster right on down. I was thus able to see how the SSOJ Conference operated and all the difficulties and accusations which the SSOJ has experienced in the last 2 or 3 years. Knowing that, I was rather skeptical about coming to Belgrade. After all, what can a man do in an organization conceived in the way the SSOJ is?

Two basic tensions, two basic tendencies have made themselves evident in the SSOJ. The first sees the SSOJ Presidium as a body issuing orders from the 22d floor to young people in Yugoslavia on how to work, how to behave, and what to worry about. The other option, and this is the option we favored in Slovenia, was to operate on the basis of an agreement. After all, incidentally, we in the youth organization do not have the postulate of democratic centralism. I favored the second alternative.

I was pleasantly surprised by the people I came to work with in the SSOJ. A large number of people in the presidium have already worked in republic conferences and held rather important positions. That is probably why they know how the federal organization should

operate. As for Belgrade itself and the way of life here, the situation is quite certainly different from that in Ljubljana. But that is not so relevant.

It Is Our Part To Exert Pressure

POLET: You have mentioned two options. Mindful of everything that has been happening in the country, has there been any essential change between those two options over the last 3 months?

Lavs: The essential thing that has happened is that we have managed to draft the Appeal to Reason as the first policy document of our work during this term of office. I do not intend to place that document on a pedestal and speak of it as some new manifesto by the youth organization, since that would not be true, but if nothing else we have still shown by this act that we are capable and that we want to try to reach agreement on these basic things. The basic problem of the SSOJ has been that the arguments in it were not over the big issues, over conceptual things, those things which have the most essential importance to Yugoslavia's future development, but over the most marginal things. The squabble over carrying the torch, the youth labor projects, etc. We have finally realized that it is better to attempt to find a consensus on the essential issues rather than argue and lose time over things which are peripheral. In all these efforts, the youth organization has been making mistakes which have recurred in its history. We want to be all-inclusive, to understand everything, and to meddle in everything, as though we are resolving all the issues. That ambition is utterly irrelevant, since it is not up to the youth organization to settle the issue of jurisprudence in Kosovo. It is up to us as a youth organization to exert pressure through our participation in the Assembly and in the government on those who are supposed to resolve those issues. A certain pattern of quasi-intellectualism that has been very common in youth organizations is another error. Our mouths have been full of certain expressions, the word "professional," for example, and yet we assume an obligation which is not inherent in a political organization. A political organization does not understand everything from physics to medicine, but it must know how to achieve unity, somehow to get things organized and make them happen. It is not up to us to find the way to economic prosperity in Yugoslavia, but to promote the person who has knowledge on that to be heard and to apply that knowledge. The main task of the youth organization must be precisely the promotion of people and the promotion of ideas. Everything else is utterly irrelevant and on such a scale that we cannot tackle it.

POLET: There has long been talk about the influence of the youth organization, which in recent years has been utterly minimalized. How should the youth organization exert its influence?

Lavs: I think that the only relevant social influence of the youth organization is the fight to take part in the exercise of power. This is the only area in which it makes sense to have influence. The essential thing is not whether we can say something more or less, whether we can have influence in certain institutions which are remote from the centers of power. The only intelligent policy is for the youth organization to show itself to be a social force which will achieve its own participation in the exercise of government on the basis of its program and because it has members and ideas. Not in the sense that we, say, fight for power, as is often repeated. Within that framework, we should first of all, when the need arises for some of those people who today hold the top positions in the Federation and in the republics to leave, when, that is, their accountability has been established, the youth organization should offer its candidate with a program that is acceptable and one that the organization can stand behind. We will have no use whatsoever for calling for the accountability of some particular leader if the one who succeeds him is still worse.

POLET: What are the formal arrangements for the possibility of that kind of participation?

Lavs: In formal terms, those opportunities have been worked out all the way to the nomination procedure. That is, we can nominate "our" man. However, you know how those personnel kitchens work in Yugoslavia. I think that it goes no further when you reach the level of the professional politician and the informal centers of power. At the level of local communities, at the level of basic nominating conferences, everything is still fine, as Igor Bavcar recently demonstrated in Slovenia. However, when one gets to the level at which paid political officials mainly make the decisions, then it is evident that this influence of the voters is not the most essential thing. The political decision is the most essential thing. The only alternative, and it has the greatest historical relevance, is for us to advocate the principle of direct open elections with all our energies. In that open personnel battle, we would have our own candidates who would present their programs and would attempt to arrive at top positions with those programs.

A Strong Youth Press

POLET: The essential problem in all this is that the public does not exist. The programs and attributes of the individuals taking part in the election race are mainly unknown to us.

Lavs: Yes, unfortunately. I think that we have quite a few opportunities for the public presentation of such people. Ultimately, we do have a strong youth press, we have our delegates on various editorial councils: from newspapers to television. With their help, we ought to elect all candidates to an appropriate and equal position in the media. They ought to present themselves with their program, and the organization nominating them should present the arguments as to why it chose them.

POLET: What you have said could leave the impression of creating a so-called parallel organization. The youth

organization figures as a new political organization independent of the League of Communists.

Lavs: The only way to overcome the crisis that exists today in Yugoslavia or, as it is said in the most up-to-date political vocabulary, implementation of the policy of the three reforms, is through political pluralism. That political pluralism should not be seen as a reconstruction of the multiparty system. In the end, the argument that a pluralistic system in Yugoslavia would be pernicious since it would actually signify the formation of parties along ethnic lines, has already proven itself to be cynical. Even today, we have eight republic and provincial parties to which we could easily give that name. I think that within what we can call the socialist front there is a way for the most differing political ideas which in essence pursue the direction of self-management and socialism. I think that there must also be a struggle among political opinions and concepts. Political pluralism is one of the conditions for getting out of the crisis.

POLET: Doesn't that definition of political pluralism seem too narrow? What about the operation of those forces which, say, are not in favor of self-management or, say, socialism?

Lavs: Those forces must quite certainly have their place "in the political public." In answering the previous question, I was not thinking that we would count heads as to who is in favor of self-management and who is in favor of socialism. Counting heads is necessary in those organizations which have those postulates (socialism and self-management) in their basic programs and bylaws. It would be normal to say what things a political organization may not concern itself with. A call to arms or declaration of war, say. If someone presents a program of his that is not socialist and is not in line with self-management, then I think that he still must have his place.

POLET: Including even participation in the exercise of power?

Lavs: If he wins the support of enough voters, then I think he should take part in the exercise of power. I am convinced that we need a political competition of visions and programs. In that case, even I, as a member of the League of Communists, would have to commit myself more to all those postulates of the party program which I accepted when I became a member. The most awkward situation in politics is one in which you are not threatened. A place that is guaranteed a priori leads to the routinism which certainly does not promise anything good.

POLET: Is what you mean by political pluralism the same as the political processes taking place today in Slovenia?

Slovenian Glasnost

Lavs: No. I do not agree at all with the assessment that usually appears in the foreign press to the effect that Slovenia is an oasis of democracy in Yugoslavia. That is, Yugoslavia is a joint state, and we can say that it has as much democracy as it has where it has the least. It's like saying in effect that a chain is only as strong as its weakest link. Certain processes in the direction of democratization are taking place in Slovenia today, but I think that it is still mainly at the level of verbal disagreement with what we have had up to now. We have initiated a process that they refer to in the Soviet Union as the process of glasnost. That proceess is in full swing in Slovenia. You can say more or less anything, but there are considerably fewer concrete programs than is thought by the outside observer.

POLET: You seem to be partly skeptical about democratization in Slovenia?

Lavs: I am afraid, and such a trend is evident, that a totalitarianism which up to now, it is thought by some, has been personified by the party could be replaced by another totalitarianism, the totalitarianism of new-styled democrats. Again, there would be someone who would evaluate on my behalf what is democratic, what is progressive, what is good, and what is bad. Again, people would not be allowed to make their own assessments. Once again, things are again coming down to the well-known maxim, he who is not with us is against us, and people do not want to replace that with the argument and the words: whoever is not against us is with us.

For me, it is unacceptable for someone in the name of democracy to evaluate a priori what is democratic and what is not. In actuality, this does not change the situation, the only change is that the monopoly of the truth has changed owners. That pattern is often noticeable even in certain democratic processes taking place in Slovenia today. The person who does not think exactly like you do is immediately under suspicion, and the question is immediately asked: Is he for us or not? This takes us back once again to some overall Big Daddy who will decide what is democratic and what is not. But in a true democracy there is room for everything, and in this country of ours the great majority of people know how to use their heads. I do not know why they are prevented from doing so.

POLET: These processes, the processes of greater political openness, are nevertheless essentially different from the political processes in other parts of the country. Sometimes even the directions are quite the opposite.

Lavs: You are probably thinking of the political processes in Slovenia and Serbia. Right up until the open conflict between Slovenia and Serbia the opinion prevailed in Serbia that the same democratic processes were taking place. But the processes of democratization taking place in Slovenia are aimed above all at those postulates that have to do with a better life, with raising the socialist economy to a higher level so that it might take on the necessary efficiency which it has lacked up to now. Human rights, participation in the exercise of power, and so on. In that sense, those political processes in

Slovenia are consistent and historically justified. As a matter of fact, even at those rallies which have occurred in Serbia a great deal of attention was not related to Kosovo and similar problems, but ultimately the question was raised of those existential questions, human rights, and so on. Of course, what is happening in Kosovo demonstrates that certain basic human rights are not being respected.

POLET: Can it not be said that the way in which the issue of human rights is being raised in Serbia is still hypocritical? That is, in some cases they are ready to violate those same human rights.

Lavs: That is true. Which is to say, there is either democracy or there is not. You cannot say: Democracy begins here, and it stops at this point. If freedom of assembly is being sought, say, for one nationality, then that same freedom must be allowed to another nationality as well. Freedom of assembly is a democratic achievement, and the question of the program around which those people assemble is something else. Freedom of speech and thought is likewise a democratic achievement that is not related to what someone says or thinks. It is a fact that we very often make all democratic achievements a function of day-to-day politics. Let us take the case with the referendum in Slovenia. It was put this way: If this negotiating team does not succeed, then we will have a referendum, but if it does succeed, then we do not need a referendum. The referendum is necessary as the highest form of people's decisionmaking, and we must not make it a function of day-to-day politics. Or take the issue of the Slovenian language before the military court in Ljubljana. I think that we should not speak just about the need to use the Slovenian language in courts in Ljubljana, but that everyone should be tried in his native tongue in a multinational state in which people speak different languages.

POLET: To what extent does the political line of the party leadership of the republic coincide with the political line of the youth organization of that respective republic?

Lavs: There is a high degree of correspondence. The League of Communists in Yugoslavia has a vanguard role guaranteed even by the Constitution. But in the end, a very large proportion of every leadership body, including that of the youth organizations, is made up of members of the League of Communists. At the same time, there is no dispute that there has been what is called homogenization in the republics. I consider this dangerous. I would not be bothered by homogenization on some well-thought-out political program, but I think that a homogenization which results from a feeling of being threatened is a bad thing. It is quite normal for every republic to be guaranteed its statehood, its sovereignty, but homogenization based on a political program is not good.

A Youth Coalition

POLET: It is difficult at this point to imagine the various youth organizations being autonomous within their republic or province. It is also difficult to imagine the autonomy of the SSOJ as a whole. It would seem that a process leading toward autonomy in the activity of youth organizations would offer a number of constructive developments.

Lavs: The youth organization of Yugoslavia can be autonomous only if all the republic and provincial organizations are autonomous. We need the kind of action we have already talked about in the SSOJ and which I mentioned awhile ago. It is a question of taking part in the exercise of power. Even in the general elections in 1990 we would try to see that some of the delegates to, say, the Federal Chamber or Chamber of Republics and Provinces would come from the ranks of young people. Then it would be very easy for us, if that autonomy existed in the republics and provinces, to put together a youth coalition that would be an essential factor in federal decisionmaking. However, it is not just a question of autonomy in the republic or province. Our organization was designed after the classic Komsomol model, so that it is made up of basic organizations, opstina organizations, and other organizations. So that autonomy at those levels is equally necessary. That is a big problem in Slovenia. The republic conference cannot be autonomous until the very last opstina conference is also autonomous.

POLET: It is a fact that Slovenia, the republic you come from, and Croatia along with it, have had few delegates in the SSOJ. How can you explain that? Are the reasons of a political nature?

Lavs: Slovenia has few representatives in all federal bodies and organizations. In the customs system, the Federal Flight Control Administration, the armed forces, the party. Whatever federal body you look at, the situation is the same or similar everywhere. Why? First, Slovenes do not like to move. It is inherent in them. It is difficult to get people to work outside their region. Another problem is related to the SSOJ (I do not wish to speak about other organizations). Often we from Slovenia have nominated our people to the SSOJ, above all to its professional staff. (We are represented on the political staff equally to all the others.) The problem, then, arises over the appointed professionals, where we have often gotten into a situation where our people were rejected, even though I think that they were good and solid people. That situation has had at least two adverse consequences. First, it is increasingly difficult to get the people to accept a nomination. No one likes to be rejected, to invest his effort, and then to get nothing from it. And another thing is that sometimes we ourselves have not been aggressive enough.

POLET: Since you are chairman of the Commission for Information and Mass Communication, and since that is

in a sense the purpose of the newspaper MLADOST, how do you look on its function and the way in which that function has been performed?

Lavs: It is well known that in recent years there have been personnel problems in MLADOST which have occurred because the youth leadership did not agree with the editorial conception. That is clear. I think that in this process of transformation of the youth organization into an autonomous participant in organization decisionmaking MLADOST should do an important job. It is another question how much it is or is not up to that job today. MLADOST should first of all hold to the Yugoslav option. Not in the sense of any kind of centralism, but in the sense of the Yugoslav option as an option above the nationalities, but a Yugoslav option that affords the possibility for presentation of differing views. I see the development of their activity in that direction. It would be normal to be committed to those issues which are the most relevant today in Yugoslavia. In addition, MLADOST must be an autonomous newspaper with an autonomous editorial conception which political structures would not interfere with. In recent months, MLADOST has done its job well. Not just on some high professional level, but at the level of a political view which I think is good. To be sure, one sometimes notices that classical Stalinist discourse: If you strike a blow at one evil, then you have to strike a blow at a second as well; if you are going to criticize your neighbor, you must also criticize yourself. It should be clearly stated: Our editorial conception is based on such-and-such postulates, and we feel that we should write within that framework as well as in the framework of the constructive program which the SSOJ advocates. MLADOST should be very important in our information activity. I do not think that it must or should have a propaganda role, since there is not an organization in Yugoslavia today that needs the classic agitprop newspaper.

POLET: MLADOST probably has that propaganda segment built into its editorial documents.

Lavs: Not exactly. When I meet people who are responsible for information at the federal level, many of them are talking about propaganda when they are supposed to be talking about information. I think, for example, that KOMUNIST should not be a medium propagating the League of Communists of Yugoslavia, but an autonomous entity writing on the line of the League of Communists, but one that will be critical, one that will have its own view concerning all events, including those within the League of Communists. It is the same with MLADOST.

A Stock Exchange for Ideas

POLET: You have mentioned the Yugoslav option. If you try to define that Yugoslav option briefly, what would it actually mean?

Lavs: It should first of all be a stock exchange of ideas, a stock exchange for differing ideas and views, an open option for what is happening in various parts of the country. The citizens must be informed about all these things, and then they themselves must decide on a particular project or vision which they see as the way out of the crisis. In the economy, for example, the Yugoslav option as I see it is the market. Not, therefore, a general Yugoslav market, since a market is either a market or it is not. That phrase of the all-Yugoslav market is incredibly stupid. That is, the market is a Yugoslav market and a world market and whatever else you like. In the political system, the Yugoslav option, put most succinctly, is full recognition of the statehood of the republics and the autonomy of the republics. That sovereignty is a historic achievement, and at the same time it is also the most relevant platform for development. Many people have said that it is first of all our difference that binds us together. It seems to me that the least Yugoslav option is the one that says: Take a little from one to give to another, reduce the sovereignty of one in order to increase that of another. Viewed historically, that does not work. The Yugoslav option is not selection, but a set of views. And within that set of views a joint agreement has to be achieved about what is best.

POLET: How do you look on Yugoslav information as a whole since your position gives you a fairly good vantage point? I am thinking of all the divisions, the unscrupulousness, and so on.

Lavs: The situation is disastrous. In Yugoslavia today, there is not a single open space for information, not in the sense that everyone should write the same, but in the sense of allowing differing visions. We have exclusive spaces for information in the various segments, and day-to-day politics mainly fall within this option, which is very bad. We should simply open up all opportunities for presentation of the most differing views from all sides and angles. For instance, it is really nonsense that in Yugoslavia you cannot look at all eight daily newspapers. Everyone should be able to see everything, and let him choose as he sees fit. As for the greater openness that is evident today in the newspapers, it clearly shows that we have made a leap which from some historical standpoint was too fast. For long years after the war, we knew precisely what was being written in the newspapers. That is, things were glossed over. People knew what the taboo topics were. Today, it has turned into some kind of democratic dialogue, but in all of that there are many undemocratic methods. When people now refer to democracy in the press, they imply everything, including slander and fabrication. In Yugoslavia, we are constantly shuttling from one extreme to the other, and this can best be seen in the newspapers. Some people have been praised without any reserve in the newspapers for 35 years, and now they are being censured in the same way, without reserve. Democracy is not just a matter of what you dare to say, but democracy is also what you can hear.

CZECHOSLOVAKIA

New Enterprise Base Structure Discussed

24000026b Prague RUDE PRAVO in Czech
14 Nov 88 p 1

[Editorial: "The Enterprise Base Structure"]

[Text] The comprehensive restructuring of the economic mechanism is gradually picking up speed. Implementing it in the real world, however, is not a simple matter. This was pointed out at the 10th CPCZ CC plenum. A number of demanding tasks have not yet been completed with the requisite degree of quality. Several sectors have not been successful in solving problems as required by restructuring. These requirements were spelled out in Guidelines for Implementing the Comprehensive Restructuring of the Economic Mechanism.

One of the tasks where performance so far has not met requirements is the reform of the organizational structure of production factors, scientific research, and cash management. These failures have occurred despite the fact that in the first stage of restructuring the groundwork was laid for the gradual adaptation of the enterprise sphere and central agencies to the new economic environment. Shortcomings have cropped up, however. They are connected not only to the persistence of traditional attitudes, but also to excessive "radicalism" that is manifested in efforts to change and tear down at any price.

The first stage of organization structure reform saw the creation of 412 state enterprises. Most of these were set up to operate very efficiently, while meeting social requirements in an environment of full cost accounting and self-finance. In some cases efforts were made to retain the existing economic production unit [VHJ] structure, with its monopoly position in production, under the name of a state enterprise. Full attention was also not always paid to individual proposals for creating state enterprises from individual enterprises and, primarily, factories, even though most of the firms concerned provided guarantees of efficient development and improved management.

Practice will also demonstrate the justification for changes, for instance, in the sectors supervised by the Federal Ministry of Metallurgy, Engineering, and Electrotechnology. Sixteen state enterprises were formed from existing VHJ of the trust, concern and sectoral type in these sectors. These were firms employing between 6,000 and 80,000 workers. The objective of this restructuring was to develop an optimal organizational structure for this most important branch of the national economy, and not to preserve a situation that would make us unable to meet national economic requirements. Time will show whether it will be possible to develop a high quality management system in these large entities, foster individual initiative, entrepreneurship or incentive programs, and whether they provide the conditions for healthy competition. The same problems, by the way, are occurring in other sectors as well.

A number of conflicts arose in the first stage of organizational restructuring. Proposed solutions did not always turn out to be optimal from a social standpoint. In such instances the proper decision was made to postpone structural changes to a later stage. Practice has in fact shown that even in cases where new state enterprises were actually set up and the process of forming new structures and relationships initiated, that problems have sometimes arisen that make it necessary to make additional changes.

How should we proceed in such instances? After all, the law on the state enterprise states quite clearly that decisions about internal enterprise organization is a matter for that enterprise. No one can intervene in these decisions, even to change the organizational structure to that of a state enterprise. This is as it should be. However, the law gives not only to an enterprise, but also to its internal organizational entity, the right to present to a founder a proposal to establish another enterprise when there is a need to further develop entrepreneurial initiatives or support production activities. In such instances the founder is required, without excessive delays and in any case within six months to evaluate the proposed new enterprise in its political, economic and social context and inform the applicant of its decision.

Recent experiences have shown that a number of production units will take advantage of these rights in the process of searching for an optimal organizational structure. Naturally, more and more senior managers and collectives are realizing that the structure and organizational sophistication of production activities are an important source of productivity gains and one of the conditions for increased efficiency.

The first stage of organizational restructuring generated important initiatives on the part of senior managers as well as work collectives. We cannot afford now to lose these through poor management. These initiatives, to be sure, involved conflicts and confrontations between opinions and different proposals, to correct and sometimes incorrect decisions. Without such conflicts, however, nothing new can ever come about. Now we have to make use of these positive experiences and learn from our mistakes.

Analysis of the first stage of organizational restructuring made it clear that enterprises and related organizations must participate in expert groups that will evaluate proposals for establishing state enterprise in the stage prior to the negotiation of sectoral projects, and without regard for whether individual independence proposals have or have not been submitted.

We can also not afford to slide to the opposite extreme and "bury" the good things that the current general directorate structure has produced for some sectors. In

this area it is essential that in future stages state enterprises make much more use of voluntary associations or the formation of joint-stock companies for those activities that can be most effectively pursued jointly. These organizations are not like supervisory agencies. They do not assign tasks to enterprises or give them orders, rather they help to make them more efficient. Enterprises finance them and naturally therefore, are willing to pay only for activities that are useful and profitable for them.

We should also not count on the structures that arise remaining the same for decades. They will always have to adapt to changes and to the requirements of domestic and international economic development. After all, scientific progress changes production processes, working conditions, and social demands for products and services on a yearly basis. Organizational restructuring is mainly a matter of setting the groundwork for the smooth implementation of organizational structures to meet the needs of the economy.

At the same time we must respect the specific environment of each product. This demands a differentiated approach. To meet these objectives we must constantly adapt the enterprise structure base so we can purposefully manage its normal operation and future development at the same time that we develop an environment that facilitates creative activities by work collectives.

Slusovice, Vietnam Sign Joint Enterprise Agreement

24000021d Slusovice NASE CESTA in Czech 5 Oct 88 p 1 + Supplement 1,2

[Article by Vera Hyankova: "First Documents Signed"]

[Text] The founders of the OTAS joint enterprise in Vung Tau (Oil Service Company in Vung Tau and the JZD [unified agricultural cooperative] Agrokombinat in Slusovice) held their first general meeting on Monday, 26 September, in the JZD Agrokombinat in Slusovice, in which the representatives of both founding organizations participated. They discussed, approved, signed and ratified all legal documents which establish the joint enterprise, appointed an executive council headed by the chairman, and designated the location of the OTAS headquarters. Legal documents were signed for the Vietnamese party to the agreement by the general director of the OSC, Pham Thiep, who was appointed chairman of the executive council, and for the JZD Agrokombinat of Slusovice, by the deputy chairman for the VTIR, Eng Josef Lizal, who was appointed deputy chairman of the executive council.

In the supplement to this issue we present detailed information on the joint meeting.

First Step of the OTAS Joint Enterprise

(Oil Service Company in Vung Tau—JZD Agrokombinat in Slusovice)

The first general meeting of the founders of the OTAS joint enterprise, of the OSC [Oil Service Company] in Vung Tau and the JZD Agrokombinat in Slusovice, approved the capital investment; both organizations agreed that both parties will share in the initial capital in the amount of $1 million. At the same time, they also approved a lease according to which the OTAS will rent from the OSC the Tam Thang hotel in Vung Tau after its complete remodeling. Furthermore, the joint enterprise will rent from the OSC some premises in the Hoa Binh hotel and 10 residential houses in Vung Tau. The session nominated a 7-member executive council composed—on the part of the OSC, of Pham Thiep, general director; Eng Tran Van Suu, deputy general director, and Eng Pham Quang Duy, assistant general director; and on the part of the JZD Agrokombinat in Slusovice—of Eng Josef Lizal, deputy chairman; Jaromir Kolac, Esq, legal counsel; Eng Josef Siler, director of the enterprise, and Eng Pavel Linhart, deputy director of the enterprise.

Pham Thiep was appointed chairman of the board of directors and Josef Lizal deputy chairman. At its first session the appointed executive council will nominate the board of directors and the board of trustees of the joint enterprise.

The headquarters of the OTAS joint enterprise will be located in Hotel Pacific, 04 Le Loi Street, Vung Tau, Vietnam.

A Joint Journey

Excerpts from the address of Pham Thiep, general director of the OSC, at the meeting of the founders of the OTAS joint enterprise:

"This day is meaningful not only for our two organizations, but particularly for the Vietnamese-Czechoslovak cooperation in general.

"As your JZD Agrokombinat in Slusovice, we, too, have come up a difficult road before we could claim this achievement.

"Today we recall the beginning of our cooperation—our very first meeting in Vietnam in November 1987. We promptly concluded an agreement because we share the same aspirations and ideas, and because of our mutual trust and understanding. It so happened that we got 'engaged' even before the law on foreign investment in Vietnam was passed.

"From the moment the law on foreign investments in our country was enacted, our relations have been progressing very well indeed. Our first "baby"—the

OTAS—was born with the blood of both of its parents—the OSC in Vung Tau, Vietnam, and the JZD Agrokombinat in Slusovice, CSSR—running in its veins.

"Nevertheless, an enormous responsibility is before us—to bring up our offspring properly. We shall not train it to be blindly obedient but to think judiciously and creatively, so that it may grow up more successful than its parents.

"Naturally, we realize that we shall have to pay a great price as we remove the obstacles placed in our way by current administrative economic measures. On this festive occasion permit me to express on behalf of all employees of our organization our sincere gratitude to the administration of the JZD Agrokombinat in Slusovice for its work and efforts in the planning of our joint enterprise. I trust that together we shall successfully overcome every difficulty and that the OTAS will prosper."

The OSC in Vung Tau Presents Itself

The organization—a tourist establishment for the workers of the Con Dao oil company in Vung Tau, called in brief the Oil Service Company—was founded 11 years ago. In that short time its efforts helped it assume one of the most prominent places among the Vietnamese tourist organizations; at present it manages 5 percent of all tourist capacities in Vietnam. Its income in foreign currency earned from foreign tourists also shares 5 percent of all foreign exchange income from tourism.

Most tourists who visit Vietnam avail themselves primarily of the services of the OSC. Most of them come from the socialist countries, but 6 to 8 percent are tourists from the Western countries.

In 1984 the VSR [Socialist Republic of Vietnam] state agencies authorized this organization to engage in foreign trade as the first and only organization in that field. Nevertheless, it still had to use the services of foreign trade companies.

In late 1987 the VSR Council of Ministers licensed the OSC to conduct operations of general foreign trade in direct cooperation with foreign trade companies.

The OSC is using part of its own assets in foreign currency to implement several programs of cooperation with other domestic organizations, for example, programs to cultivate new plants; to raise livestock and animals (such as lobsters); to produce coffee and spices; and industrial programs, for example, textile and garment production, electronic assembly, processing of biological mass, etc.

Thus, the OSC helps develop Vietnam's exports and simultaneously, improve the enterprise's foreign exchange base.

The scope of its operations aimed at the West has recently exceeded $10 million, particularly from export of coffee, spices, textiles and garments, seafood, fragrant wood, and so on. Annual imports total about $7 million, but efforts are made to reduce imports of consumer goods.

At present the value of capital assets owned by the OSC (according to the assessment by the State Bank) is $700 million, but the enterprise's credits in foreign exchange from the State Bank are limited to a maximum of $2 million. Thus, the bank considerably restricts foreign trade of the OSC.

On the other hand, the OSC is hindered by crises in the system of the current economic mechanism in the VSR.

Since the law on opportunities for foreign investments in Vietnam was passed on 29 December 1987, the OSC has experienced notable progress and expansion.

The OSC was granted an official license to engage in foreign trade. Its first permit entitled it to establish a joint enterprise with the JZD Agrokombinat in Slusovice (this was the 11th permit in all of Vietnam), and next was a permit to conclude an agreement with a Canadian company. This offers the OSC new prospects for the further development of its ventures in foreign trade.

One of the OSC's main tasks is to expand its services to future employees of Western oil-producing companies. Pertinent negotiations are now underway with companies from Belgium, the Netherlands, India, and Canada.

On the basis of the state decision, Vung Tau will have the status of a free foreign exchange area—the so-called "free zone."

The New General Director Speaks

We discussed the joint enterprise of the OSC of Vietnam and the JZD Agrokombinat in Slusovice with its newly elected general director, Eng Josef Siler.

[NASE CESTA] For what purpose was the OTAS founded?

[Siler] It was organized to implement the most far-reaching programs of entrepreneurship which will benefit both founding organizations. Its joint operations will be conducted in the sectors of tourism and related services; they will improve professional qualifications of its staff, and also cooperate on a broad basis in exchange of goods. We envisage an expansion of our cooperation in joint production of fodders, fish meal, food products, processing of tropical fruit and of wood, and so forth.

[NASE CESTA] What preceded today's meeting?

[Siler] Our legislative groundwork per se was preceded by feasibility studies conducted by our staff members in Vietnam. At the same time, our company also obtained the necessary legal data.

Our base in Vietnam has been in operation practically since April, and our employees have done the required preparations for our joint enterprise; in close cooperation with their Vietnamese colleagues, they researched the opportunities for commerce, including dependable supplies of materials and technology.

To obtain a license for the foundation of the OTAS, it was necessary to cut our way through a "jungle" of regulations and often also to struggle with an incredible reluctance of the superior agencies. Yet as far as I know, no Czechoslovak organizations have ever succeeded in achieving such a progress in such a short time.

[NASE CESTA] What is the OTAS facing in the nearest future?

[Siler] Before the end of this year the OTAS cadre will be stabilized, and we shall be able to provide opportunities for rational and efficient work. We shall begin with the remodeling of the Tam Thang hotel; that task will be managed by the joint enterprise OTAS with significant cooperation of our JZD. Early in October a group of planners will leave for Vietnam to prepare in a very short time the required planning documentation.

However, we are able to serve tourists immediately, because we already have at our disposal in Vietnam some of the premises in the Hoa Binh hotel which is one of the best in southeastern Asia. In addition, we have accommodations available in residential houses.

[NASE CESTA] Does that mean that we are starting a long-range program?

[Siler] Indeed we are. Our experience thus far has shown that our plans may be fulfilled, but also that we must proceed according to the rule "step by step," all with the continuous support of both founding organizations.

Working Conditions in the VSR

Because of the great importance and overall complexity of problems which the members of the JZD Agrokombinat in Slusovice will face in the VSR, and because of the strenuous conditions under which we shall operate and represent our JZD, the management of the Agrokombinat decided, following discussions with the CSSR Ministry of Labor and Social Affairs, to enact the following measures:

1. wages pursuant to higher tariff scale THP 1 b;

2. personal rating of technicians in categories 11 and up equals double that of the upper level of their particular category;

3. premiums at the minimum amount of 50-100 percent;

4. bonuses for exceptional climatic conditions in the amount of Kcs 3 per work hour;

5. bonuses for overtime.

Tariff Category	8	10	11	12
Occupation	Dispatcher	Manager	Chief Manager	Deputy
Total wages (including tropical bonus and overtime)	7,210	8,540	9,800	11,000

Wages will be remitted to personal accounts of the members of the JZD Agrokombinat in Slusovice in the CSSR. Vietnamese employees will receive their wages from the OSC.

The JZD Agrokombinat in Slusovice will pay its members Kcs 3,000 (in KVATRO purchase coupons) as one-time allowance for furnishings.

Workers Complain of Problems Not of Their Own Doing

24000026d Prague RUDE PRAVO in Czech 19 Oct 88 p 4

[Article by Nada Adamickova, RUDE PRAVO, and Pavel Filip, CPCZ City Committee: "Why Are We Paying For Something Not Of Our Own Doing: PAL Kbely Employees Ask"]

[Text] Employee morale at the Prague Kbely Instrument and Accessory Industry for Aircraft and Automobiles enterprise [PAL] has not been good in recent months. It is not surprising. For two years now they have not received any profit sharing money. A majority of them, especially those in production, are asking the question: Why, when we're not the ones who caused the current situation?

As recently as 1986 this firm had no reason to be ashamed of its performance. The collective of almost 2,000 had received the Red Banner of the minister and trade union central committee for its work. Then came the crash. It could almost have been predicted. During preparations for the eighth 5-Year Plan the firm pointed out that the plan was not realistic, especially with regard to the startup of production of the Favorit passenger car. This was the start of the problems, which show no signs of abating, that PAL is suffering through to this day.

The merry-go-round of studies, searching for reasons, and possible ways out of the situation has begun to spin. Unfortunately it started at five after twelve. The CPCZ Prague city committee has offered to help by setting up a

special working group to help the firm, as has the district party committee from Prague 9. The helping hand should have come sooner, though, and under no circumstances only from party agencies. The lead should have been taken by the enterprise management itself and its supervisory agency—the former general directorate of Czechoslovak Automobile Plants, now called the Automobile Industry Kombinat, and the sectoral economic unit (OHL) of Kromeriz PAL.

Where Was Mistake Made

It is difficult to give a simple answer to the question of why a firm that was healthy overall began to stumble. Underestimation of the role of technical development for the launching of a new product went hand in hand with an administrative and formal attitude to plan formation and breakdown signed by the supervisory office. The management of the firm also shares in the blame, because the goals it set were not adequately justified economically. Management depended too much on underutilized capacities. There are limits to these, however, and there were also problems with fundamental product innovation.

Last year the firm did not accept the plan, which had been assigned to it as a directive by the PAL Kromeriz OHJ. The result is not surprising; the enterprise did not fulfill the plan. A similar situation is repeating itself this year. The firm again did not accept the plan, this time because it could not cover the material requirements. To date not even a collective contract has been signed.

To provide some background. PAL produces, among its other products, roughly 31 components for the new Skoda (instrument panels, motors for heating, cooling, and windshield wipers, steering wheels, switches, etc.) At the same time, its production equipment is not sophisticated enough to handle the requirements placed on the firm. The average age of its machinery is 27 years and 75 percent of it is fully depreciated. This had to be recognized by an inspection conducted at the plant by employees of the Prague Engineering Technology and Economy Research Institute. The most critical situation involves the machine that people are supposed to use to make the parts for the Favorit. It actually is the most significant innovation that they have yet developed here. Even though plans called for an investment of Kcs 136 million for new machine acquisition, the final investment turned out to be somewhat less—Kcs 42 million. Knocked down and counted out, in other words. In order to meet production targets more and more demands are being made for increased hiring, mainly of people at the low end of the wage scale. And there are not even enough of them. Moreover, the average wage in the enterprise is Kcs 700 lower than in other engineering firms, and is the lowest in the automobile industry.

Now people on the production line are paying for mistakes that are not their doing.

And Their Views?

Josef Volek, from the main assembly division, puts it this way: "Dissatisfaction in the plant has reached a peak. We do what we can here in assembly, but we still don't make any money. How can this kind of work satisfy you? There aren't enough blue collar workers, so the technicians come to help us. But there are some problems with this too. Technicians don't have the right qualifications for this so the reject rate increases, though I don't want to imply that it is their fault alone."

"I can only agree," adds Miroslav Straka from maintenance. "The blue collar workers come here, give 110 percent, but don't get any more money anyway. People point to several indicators on the bonus schedule, and want a new one. As a party organization we went to the Revolutionary Trade Union Movement (ROH) wage commission, but it postponed a decision. Now that the all-factory committee has gotten involved, maybe something will happen. And we are surprised that people don't attend meetings, and that young people have no interest in joining the party. There is no sense in even talking about any kind of exceptional action."

Dissatisfaction is also growing in nonproduction divisions. Josef Maly, from the technical section, speaks for them all: "The problems have been dragging on too long, and we still cannot seem to get out from under them. And what do people think the reason is? For the supervisory office our enterprise is a secondary priority in terms of investment. But we also aren't without fault. We simply were not able to prepare for such wide-ranging innovations, and now it is coming around to hit us like a boomerang."

When Management Does Not Cooperate

Most of the employees of Kbely PAL are not indifferent to what happens in the enterprise. At least that is the way they talk. If for no other reason, because everyone is now paying the price for shortcomings. For some time requests had been made to the management of the enterprise to conduct comprehensive analyses of the failure to meet targets and to formulate a clear strategy for moving forward. The requests came from people, from member meetings, and production conferences. But unfortunately they were never acted upon.

Conflicts tore apart the management of the firm, a situation that certainly didn't contribute to stability. It probably would not be fair to dump all the shortcomings on the director, now that he has left the position. But nor can one deny that he played a role. For some time now the position of deputy director in charge of production has not been filled. The deputy directors in charge of economics, technology, and the business manager have all resigned. All young people. None of them wants to stay. Efforts by the all-factory party committee and the

presidium of the CPCZ District Committee of Prague 9 to persuade them to stay were of no avail. The deputy directors had been asking for help for too long. It never came.

What About Party Organizations?

Miroslav Taizich, chairman of the all-factory party committee, only adds to the mosaic of opinion: "Over the past two years we have on at least six occasions told the director that he was taking the wrong approach. He always promised to change his ways. On more than one occasion we actually discussed the responsibilities of others. The management underestimated the role of party and union organizations, did not discuss the situation openly, and sometimes even distorted the facts. This of course turned off some people."

As already stated, criticism has been growing since last year. It began when the management was not attending member meetings and production conferences where attempts were being made to deal with problems in meeting production targets, in the work of preproduction divisions, etc. It grew when people realized that no one was acting on their comments. To be objective we should add, and comrade Taizich spoke of this as well, that the all-factory committee and basic organization committees at first placed all the blame squarely with the supervisory offices. Only in time did they realize that a significant portion of the problems was caused by a sloppy approach to tasks right at the enterprise.

What Next?

Today the position of the party organizations is clear: resolve the personnel problem as fast as possible, and adopt the measures necessary to stabilize the economic situation. These are specific. According to comrade Taizich, the first thing to be done is to begin to work again. Two directly related matters are an increase in economic incentives and the implementation of new bonus schedules. Labor productivity is another priority. These and other tasks are already clear at PAL. Because, however, the firm cannot by itself provide for the rapid modernization of its production base, another top priority, the presidium of the CPCZ city committee has gotten "into the game," by requesting assistance from the Kromeriz OHJ to resolve the situation. Only a joint effort by the entire work collective and the supervisory office can again place Kbely PAL among the leading production organizations of our capital city.

The Kbely PAL enterprise is not the only one to experience problems in connection with producing the Favorit passenger car. All indications are, however, that it can serve as an example of improper management by supervisory agencies that results in a tense political situation at the enterprise and in dissatisfaction and indifference among the employees.

HUNGARY

Situation of National Debt Reviewed; Truth, Reliable Statistics Urged

25000057 Budapest MAGYARORSZAG in Hungarian 3 Dec 88 p 24

[Article by Istvan Garamvolgyi: "The State As Debtor"]

[Text] This decade we have been witnessing the explosion of national debt in most countries of the world. Today the newspaper reader even in Hungary knows about foreign debt, about the mounting indebtedness stemming from recurring balance-of-payments deficits. Such information long remained classified. Beyond Hegyeshalom [on the Austrian border], however, this state secret was nothing more than merely a press report.

This year, in the spirit of openness and frankness, we have reached the point where the economic press is publishing conspicuous monthly tables with information on how the country's international solvency, balance of merchandise trade, balance of payments on current account, gross and net debt, and gold and foreign-currency reserves are developing.

Worldwide Phenomenon

What is national debt? It is related to foreign debt in that both are caused by deficits. National debt comprises the accumulating domestic or foreign loans obtained to offset the state budget's deficits. In conjunction with national debt we are now where we stood a few years ago regarding foreign debt: we know even in detail the worldwide national-debt situation beyond our borders, but our information about Hungary's national debt is very meager.

Speaking as a deputy in the debate on the 1987 state budget's appropriation accounts during the National Assembly's summer session this year, Rezso Nyers pointed out that the accounting of the economic processes which the legislative branch receives is still incomplete, in two respects. One of these is the state of the national debt and how it affects the economy.

Before we attempt to explore the state of Hungary's national debt, it will be worthwhile to take a look at the world.

Nations incurred debt also in the past, but usually in conjunction with wars. (Because they raise the costs of war, reparations are also a national debt.) The present explosive growth of public debt is associated primarily with the fact that most countries attained high rates of economic growth in the 1960's and 1970's, and their political and economic leaderships undertook and financed more and more welfare commitments.

Economic growth slowed down after the oil-price shocks, state revenues stagnated, and the welfare programs could be maintained only with loans. But public borrowing stimulated the economy only slightly or not at all, the budgetary deficits became permanent, and the debts of the states and central governments mounted steadily.

Mounting national debt is a worldwide phenomenon. As a proportion of GNP, the national debts of the economically most advanced seven countries—the United States, Canada, United Kingdom, Federal Republic of Germany, France, Italy and Japan—nearly doubled in a single decade, rising from 22 to 41 percent. In Japan, while its banks became the world's most important lenders and investors in equity, the national debt rose above 50 percent of GNP. The interest on the state bonds issued to finance the budgetary deficit, and the costs of servicing the domestic and foreign loans obtained for the same purpose, have respectively become the most dynamic items of budgetary expenditure: their share of total expenditure exceeds one percent.

Many countries have reached the point where the costs of servicing their national debt are "reproducing" their budget deficit, which in turn adds to national debt. At the same time, this vicious circle is also triggering and fueling inflation.

Same in Hungary

The Hungarian economy's first national debt in forints arose as a "result" of the currency's stabilization. Having no reserves of the new currency, the Treasury borrowed 300 million forints from the Hungarian National Bank. This was a huge sum at a time when the ceiling on the amount of currency that could be issued was 1.0 billion forints. After the year of change [1948], this national debt was respectively repaid and cancelled.

The state budgets in the 1950's showed surpluses, which in principle ruled out the possibility of incurring public debt. With considerable ingenuity, however, fiscal policy in those years was able to square the circle and produce national debt even though the budgets showed surpluses: in part by issuing peace bonds and government bonds, and in part by consolidating personal savings and the insurance fund into the state budget. (Later the national debt embodied in the government bonds was repaid when the government redeemed the bonds with a much weaker forint.)

The 1960's were a decade free of national debt. The budgets were balanced until 1968, but have been showing deficits since then. At first the small deficit was actually a technical one: the state budget's structure changed in the wake of the economic reform, and the additional expenditures were offset by the continually formed reserves earmarked for deferred spending. The deficits (with the exception of the one in 1970) long remained lower than 1.0 percent of national income [gross domestic product]. Attention focused on the deficits when the ripple effects of the oil-price shocks reached the Hungarian economy: the maintenance of domestic economic stability required ever-greater budgetary outlays, and the economy as a whole was forced to obtain foreign loans.

Credit From Central Bank

Public debt, and hence also foreign indebtedness (although in part independently of the former), began to rise rapidly in Hungary as well, essentially parallel with the worldwide phenomenon of exploding national debt. The annual budget deficits were a matter of a few billion forints earlier, but approximated 10 billion forints in 1981 and surpassed that amount a year later. Between 1980 and 1986, the annual budget deficit increased tenfold (from 4.5 billion to nearly 50 billion forints).

Until 1982, when the first government bonds were issued, the budget deficits were financed exclusively by borrowing from the central bank. The Treasury began issuing bonds that financial institutions could (!) purchase: 8.0 billion forints' worth in 1982, and 2.8 billion forints' worth in 1983. In 1985, enterprises had to buy so-called reserve-fund bonds, and their purchases were not voluntary at all. These bonds mature in 15 years and earn 4 percent [annual] interest. About 12 billion forints was withdrawn from the enterprises' reserve funds in this manner. In 1986, yet another government-bond issue raised 9.0 billion forints.

Borrowing from the central bank is the main source of financing the budgetary deficit in Hungary. Because the government maintains close control over the Hungarian National Bank, the budget has been borrowing from this source without restraint. The bank's annual balance sheets reveal that its outstanding intermediate- and long-term loans to government organs totaled 31.3 billion forints at the end of 1985, but already 102.9 billion a year later, and 136 billion at the end of 1987. If we take also the value of the government bonds into account, then the national debt at the end of last year was about 160 billion forints.

Let the Deputies See!

Ferenc Bartha, the new president of the Hungarian National Bank since June, presented to the National Assembly, at its November session, the first accounting of the national debt ever rendered. (At the same time, he also presented a detailed report on Hungary's foreign debt.) The report of the Hungarian National Bank's president reveals that the budgetary deficits are not alone in creating and augmenting national debt: the consequences of the forint's devaluation and exchange-rate losses—the rise of our foreign indebtedness in forint terms—have also created public debt. (The Hungarian National Bank's balance sheet for 1987 puts the exchange-rate losses and the consequences of the forint's two devaluations at 136.4 billion forints.) Since 1982,

exchange-rate losses and devaluation have created 250 billion forints of national debt, and other items—working-capital credits for the enterprises, and the debts of rehabilitated or liquidated enterprises—have added about 70 billion forints more. If we take also the cumulative budgetary deficit into account, then the state budget owes the central bank a total of 480 billion forints. This much national debt is substantial even by international comparisons: it amounts to 40 percent of Hungary's GDP in 1987.

The costs of servicing the debt incurred to finance budgetary deficits are now an ever-greater item of expenditure also in Hungary's current budgets, and it is becoming more and more difficult to conceal these costs. In 1987, the state budget spent 27 billion forints on servicing the loans obtained from the central bank and to pay interest on government bonds. And the 1988 state budget earmarks 30 billion forints for this purpose.

Many conclusions and lessons can be drawn from the explosive growth of Hungary's national debt. One such lesson is that, when enacting the state budget into law, the National Assembly must strictly specify the amount of the budget's deficit, the amounts of the central-bank loans and government-bond issues with which the deficit may be offset, and the growth rate of the national debt.

The legislative branch must also demand that the budget unambiguously show the cumulative national debt's servicing costs. The deputies must clearly understand the interrelations. And it would be highly commendable if the National Assembly were to demand from the fiscal administration, perhaps even several times a year, a strict accounting of how the state budget's fulfillment is proceeding. Such accounting and control would benefit also the government, because it could count on support from the legislative branch when unpopular measures had to be implemented, such as a drastic reduction of subsidies, for instance.

POLAND

ZYCIE GOSPODARCZE 'Briefs' Columns

26000200 Warsaw ZYCIE GOSPODARCZE in Polish Nos 45-48, 6-27 Nov 88]

[Reports: "Last Week"]

[No 45, 6 Nov 88 p 2]

[Excerpts]

In Poland

[Passage omitted] The Ministry of Transportation, Navigation, and Communications has rescinded 880 of its legal acts. A total of 282 still remains binding. The Minister of Foreign Economic Cooperation has rescinded 61 normative acts, of which 44 executive orders, 2 circulars, 9 decisions, and 6 memos previously binding on industry.

Minister of Industry Mieczyslaw Wilczek has decided to slash in half the clerical personnel at the ministry's central offices. At the same time he has decided to reduce by 40 percent the clerical personnel at the Black Coal Administration and the Power and Brown Coal administrations, in particular at mines and in power districts. [passage omitted]

The challenges of the present were discussed by Professor Jan Szczepanski. The most important challenge is, in his opinion, the economic one. The common belief is that the economic reform hinges on a political reform. Regardless of how the dependence of the economy on politics is viewed, what is happening in the economy hinges chiefly on the quality of the work of citizens and organized employees. Since the socialist economy has deprived citizens of the right to economic initiative, it must pay them a pension to survive, a "pension" which they receive by being employed.

M. F. Rakowski visited Silesia where he declared that coal is fundamental to the economy and detracting from its significance just will not do. However, many measures to optimize its utilization should be taken. Minister of Industry M. Wilczek declared at a meeting with miners that he is attentively following the discussion of intermediate managerial levels in mining and that, in the event administrative employment is slashed by 50 percent, all the funds thus saved will be used to improve social services to miners and their living conditions.

Following a preliminary examination of the binding legal acts, Deputy Prime Minister and Minister of Agriculture, Forestry, and Food Industry Kazimierz Olesiak rescinded as of 26 October 1988, 300 of the ministry's normative legal acts. As a result there now remain 137 legal acts binding on agriculture, forestry, and food industry.

A 2-day visit to Poland was concluded on 26 October by Italian Minister of Foreign Trade Renato Ruggiero. The whole of the problems of Polish-Italian economic cooperation was discussed with special consideration of cooperation in automotive industry and the participation of Italian companies in the pro-export gearing of the Polish economy as consisting in the modernization or expansion of productive capacities with the object of making offers by Polish producers more attractive and expanding manufacturing, trade, and technological ties between Polish and foreign firms. [passage omitted]

Abroad

[Passage omitted] In Rome deliberated a mixed commission of representatives of the Council for Public Affairs

under the church and the Episcopate of Poland, established to examine the problems of establishing diplomatic relations between the Apostolic See and the Polish People's Republic. The next meeting of the commission will be held this coming January. [assage omitted]

The Council of Ministers of the Hungarian People's Republic has decided to introduce unemployment benefits as of 1 January 1989, that is, earlier than planned. Public debate of the unemployment system is not over yet. In November the Hungarian press will publish a draft decree on this subject.

Soviet-Romanian economic and trade relations are, according to Deputy Commercial Attache of the USSR in the Romanian Socialist Republic, F. Ustonov, developing at a rapid pace. Thus while the average growth rate of trade between the Soviet Union and CEMA countries is reaching 30-35 percent, for trade with Romania it is planned at the 70-percent level.

An American company, Cleveland Export Import Trade Co., and a Soviet enterprise, Gosagroprom, have reached an agreement to establish a joint venture under the name of Torg International. The share of the American company in this venture will be 51 percent and that of the Soviet side, 49 percent. The agreement provides that the American company will provide the venture with equipment for the Soviet food industry and machinery for the manufacture of packagings in return for beer, mineral water, wine, candy, and other foodstuffs.

The West European Parliament in Strassbourg has approved an agreement for economic and trade cooperation between the EEC and Hungary. Hungary is the first socialist country to sign with the EEC a broad bilateral trade and economic agreement, which has become possible owing to the signing toward the end of the first half of this year of a declaration establishing relations between the EEC and CEMA. [passage omitted]

[No 46, 13 Nov 88 p 2]

In Poland

[Passage omitted] The Sociopolitical Committee of the Council of Ministers has adopted a program for revamping remuneration systems along with a draft decree on budgetary remuneration. The new salary guidelines will apply to nearly 3.6 million persons, of whom 75 percent are employees of the educational system, public health, and social welfare. The Committee deemed it expedient to introduce the proposed system in stages, beginning 1 January 1989.

The Economic Committee of the Council of Ministers accepted the guidelines for interest rates on loans and deposits in 1989 as presented by the chairman of the National Bank of Poland. The interest rate should reflect the degree of the bank's risk. Deposits kept for periods longer than a year will pay an interest rate compensating for the effects of the inflation. Three-year deposits will even pay an interest rate higher than the inflation rate.

The official visit paid by Prime Minister of Great Britain Margaret Thatcher to Poland has come to an end. On the third day of her visit an act establishing a Polish-English company for recovering coal from a mine dump in Trachy, Sosnicowice Township, was signed in Katowice. The "Gwarex"-Ryan Poland enterprise, employing about 40 persons, will produce coal with a caloric value of 6,000-6,500 kcal/kg, recovered on the scale of 114,000 tons annually and destined in its entirety for convertible-currency markets.

Two more "shutdown" decisions were taken. The first was to shut down the Siechnice Steelworks near Warsaw and the second, to disband coal administrations which are to be replaced by five enterprises handling solely production and technical problems and employing about 40 percent of the personnel of these administrations. When asked by a PAP reporter about his reaction to the appeal of Lech Walesa for rescinding the decision to shut down the Gdansk Shipyard, on the grounds that otherwise there would be no "Round Table" talks [between the opposition and the regime], Jerzy Urban answered that the decision to shut down that shipyard is "final and irrevocable. The 'Round Table' is to serve reaching an agreement on a proreform basis. Exploring an agreement on a basis counter to that of reform-promoting measures is not our aim and would simply be pointless. The closing of the Gdansk Shipyard represents a major beginning of resolute measures to restructure industry."

The assumptions of the plan for consolidating the economy have been published. The following interim objectives of the plan have been specified for 1989-1990: improvements in market supply and in procurement conditions; halting the regression; reversing the negative trends in housing construction; limiting the scale of inflation and halting the decline in purchasing power of the zloty.

An important moment in the 60 years old history of LOT Polish Airlines was, according to its press spokesman Jerzy Wajdyga, the decision to lease three Boeing aircraft from the series of new twin-engined jetliners: two of the 767-200 ER type (208 passenger seats each) and one larger 767-300 type (249 seats).

The deliberations of the Consultative Council lasted 13 hours. The Council's view is that the "Round Table" talks should be commenced as soon as possible and the obstacles delaying these talks should be removed. It was stated that these talks are necessary not only to the authorities and the opposition but also and primarily to Poland. It was emphasized that there should be no division into those inviting to the Round Table and those being invited. The Council supported continuing a broadly conceived social dialogue intended to maintain the fast pace of political economic, and social transformations in this country. The forum for this dialogue should be not only the Round Table but also many local communities throughout Poland. [passage omitted]

A passage from the comments by M. Orzechowski at a conference of representatives of the party intelligentsia: "It is necessary to...rationally illuminate the problems of 'depoliticizing the economy.' We support an immeasurably broader room for the operation of the laws of economics. In this context, the 'depoliticization of the economy' requires unequivocal support. On the other hand, whenever this slogan is used to camouflage the desire to apply pure market models disregarding the perspective of the social purposes of economic management, wherever the actual purpose is to remove the party from the workplaces, the response should be unequivocal." [passage omitted]

On 3 November at the Ministry of Finance was signed an agreement for restructuring part of Poland's debt to Japan. The concluded agreement concerns obligations totaling about US$110 million payable in 1985, and specifies that their payment will be postponed to 1991-1995. Negotiations about another agreement settling payments to Japan due during 1986-1988 are in their final stage.

Abroad

[Passage omitted] In Budapest was held another session of the Committee of the Ministers of Foreign Affairs of Member Countries of the Warsaw Treaty of Friendship, Cooperation, and Mutual Assistance.[passage omitted]

In Montreal was held an annual congress of the directors general and presidents of all of the world's airlines, associated in the International Association of Transport Airlines (IATA). Already on the first day of the congress the represntatives of 172 airline companies, including 142 active members of the IATA, expressed their signal recognition of LOT Polish Airlines and their Director General Jerzy Slowinski by electing him the Association's chairman for the 1988-1990 period.

The Soviet Deputy Minister of the Petroleum Industry Vladimir Filanovskiy has announced that this year's plan for extracting 626 million tons of crude is going to be exceeded. The 1990 plan envisages the extraction of 685 [or 695—illegible] million tons, and the plan for the year 2000, [....illegible] million tons. At the same time, the minister emphasized that by the year 2000 the USSR intends to reduce from the present 34 [or 31—illegible] percent to 28 percent the consumption of crude for its own power generating needs.

In the GDR the domestic market supply of industrial and consumer goods is deteriorating. The situation has become difficult, particularly in recent months. There are shortages of many scarce goods in the GDR retail trade. At the same time the quality of certain products is deteriorating. The principal reason is the decline in output. Discussing the current problems of consumer goods in the Capital of the GDR, BERLINER ZEITUNG stated that the solution of these urgent problems requires decisions at the ministerial level. Toward the end of last August, according to that newspaper, the garment plant in the Nation's Capital undersupplied the wholesale trade and department stores by thousands of pairs of trousers, coats, blouses, and dresses. Moreover, stores in the Nation's Capital are short of footwear manufactured by the Goldpunkt Works, detergents, balcony-mounted clothing dryers, and many other similar items. Nuermous signals about the deteriorating market supply in the GDR also come from other regions of the republic. This is increasingly a topic in the local press. One symptom of shortcomings in this field is the growing pressure of the "hinterlands" on the Berlin market. This is particularly evident on nonworking Saturdays.

The Yugoslav government has transmitted to the Skupsztin of the Federated Socialist Republic of Yugoslavia a draft of the economic reform to be applied as of 1 January 1989 as well as drafts of 19 systemic decrees. The Federal Executive Council has stressed that the affirmation of the [free] market and respect for its laws are a condition for restoring the health of the economy and strengthening the system of socialist self-government. The reform presupposes renewed emphasis on the enterprise as the basic operating unit of the economy.

The Crvena Zastava Automotive Works in Kragujevac has signed new contracts with the Italian company Fiat-Iveca of Turin for cooperation in the next 10 years. The contracts concern joint investments, longrange production cooperation, and technology transfer. The Turin company will invest 12.5 billion lira in the expansion aund modernization of truck production in Kragujevac. Crvena Zastava manufactures annually about 8,500 of these trucks, of which it will supply 2,500 to the Italian partner.[passage omitted]

As of 1 November the "bankruptcy decree" is effective in China.[passage omitted]

[No 47, 20 Nov 88 p 2]

In Poland

[Passage omitted] The Economic Committee of the Council of Ministers has approved drafts of decrees on undertaking economic activity and on economic activity with the participation of foreign capital. The new revisions—bearing in mind that these decrees had been withdrawn by the government from submission to the Sejm—make these decrees more radical and more adequate to the requirements of the reformed economy.

With M. F. Rakowski chairing, a meeting on establishing a commission for prices and incomes was held. A proposed rule was that in the future work of this commission discrete social and occupational constituencies should be represented by chairmen of their organizations and government representatives. The commission's position will be based on consensus.

As of 14 November of this year the official retail prices of domestically produced spirituous beverages were increased about 10 percent. [passage omitted]

The minister of industry has approved the shutdown of blast furnaces and an open-hearth steel furnace together with auxiliary facilities at the Kosciuszko Steelworks in Chorzow and the Bobrek Steelworks in Bytom, as well as of gas generators at the Batory Steelworks in Chorzow.

A one-story school building in Tluchow, Wloclaw Voivodship, collapsed while the school was in session. Owing to a fortunate combination of circumstances a tragedy was avoided.

The Board of the International Financial Corporation in Washington approved a loan of US$18 million to the Hortex Cooperative Enterprise for expanding its production for export. THE WASHINGTON POST reported that the World Bank is preparing additional loans for Poland. Referring to sources in the United States Administration, that newspaper states that in the not distant future the World Bank is expected to grant to Poland credit totaling US$250 million.

It is said that the formation of a shareholding company for establishing a large plant for processing ships into scrap as well as for processing scrap from other sources is in its final stage. The principal shareholders would be: Katowice Steelworks, Zegluga Polska [Polish Seagoing Lines], Inc., Skolwin Pulp and Paper Plant, Szczecin Steelworks, the Marine Repair Shipyard in Swinoujscie, Police Chemical Plant, Szczecin-Swinoujscie ZP, the Szczecin Maritime Office, and the Prokon Joint-Stock Company. [passage omitted]

Abroad

[Passage omitted] Poland and Austria extended their longterm agreement for developing economic, industrial, and scientific-technical cooperation. Since 1985 mutual Polish-Austrian trade has been rising from US$603 million to US$731 million last year and US$406 million during the first half of this year.

The new Chairman of the Federal Government of the Socialist Republic of Czechoslovakia Ladislav Adamec presented to the Federal Assembly the program of the new cabinet formed a month ago. While subjecting to fundamental criticism the methods and effect of the previous Administration in the last 3 years, the Prime Minister pointed to the need for rapid and thorough changes in the country's economic system.

The inflation rate in the Soviet Union is 0.9-1.5 percent annually and manifests itself in the disappearance of low-cost goods rather than in the form of price increases, said USSR Minister of Finance Boris Gostev. [passage omitted]

Yugoslavia has concluded with creditor commercial banks an agreement to defer the payment of about US$7 billion of its foreign debt. It has also reached an agreement with the governments of creditor countries to restructure US$946 million of its debt in principal and interest. This was announced to the Parliament by Member of the SFRY Government Stevo Mirjanic. He emphasized that restructuring US$8 billion of indebtedness will make it possible this year to reduce by US$2.2 billion the outlays on servicing the indebtedness; next year, byn US$1.6 billion, and in 1990, by about US$2 billion.

Cuba's foreign debt as of late March 1988 reached US$6.26 billion, that is, it increased by about US$600 million during the first quarter of the year, according to the latest quarterly report of the National Bank of Cuba. The official debt, based on bilateral agreements with creditors, is US$2.7 billion. According to that bank, the reason for the growth in indebtedness was the need for new guaranteed export loans and the decline in the rate of exchange of the dollars for other currencies in which previous funds were borrowed.

The first round of preliminary talks between the EEC and the USSR is over. Representatives of the EEC authorities voiced positive opinions on the course of these talks, terming them "very constructive." According to EEC sources, during the talks, the Soviet delegation presented the current or planned economic reforms in the USSR, "stressing the important role which foreign trade should in the future play in the Soviet economy." The discussion concerned both trade and other forms of economic cooperation, and its purpose was to agree upon the terms of a bilateral agreement between the EEC and the USSR. [passage omitted]

[No 48, 27 Nov 88 p 2]

In Poland

[Passage omitted] Janina W. Krol, former deputy minister of education and upbringing, was appointed the government's person in charge of the workforces of disbanded plants and factories. Professor R. Ney was appointed by the Council of State to the post of Scientific Secretary of the Polish Academy of Sciences.

Since 21 November 1988 the retail prices of domestic cigarettes have climbed by an average of 10.0 percent, and of imported cigarettes, by 12.1 percent. The prices of cigars, cigarillos, and pipe tobacco remain unchanged. [passage omitted]

Following many efforts the Szczecin-Swinoujscie Duty-Free Area Joint-Stock Company has acquired legal entity. The Regional Court in Szczecin registered the charter and entered in its registry this shareholding company whose purpose is to administer the activities of the duty-free area in the region of the mouth of the Odra.

The foreign-exchange transactions conducted by the Export Development Bank are to be transformed into a

foreign-exchange bourse. With regard to the private sector a similar role is to be played by the negotiations organized by the Polska Kasa Opieki Bank, Inc. The differences between the bourse price and the official rate of exchange set by the National Bank of Poland will no longer handicap the extraordinary loss accounts.

GAZETA PRZEMYSLOWA, or Industrial Gazette, will begin to be published by the Rzeczpospolita Publishing House. It will seek its readership among persons interested in progress and active in promoting industry at their own or socialized factories and plants.

The Sociopolitical Committee of the Council of Ministers has discussed drafts of decrees on the rural social fund and on physicians' self-government. [passage omitted]

A declaration by the Secretariat of the Episcopate of Poland points out that the chances for a rapid commencent of "Round Table" talks have in recent weeks been encountering difficulties. The church called upon the state authorities for implementing economic reforms parallel to political reforms so as to encourage the world of work to participate in their implementation.

The Economic Committee of the Council of Ministers continued its discussion of rules of the economic game for the next year. Conditions for an accelerated development of the fields given priority in the prime minister's expose are to be created. The Committee also discussed the assumptions and procedure of the work on the 1989 Annual Economic Plan and on the budget decree.

At the Ministry of Foreign Economic Cooperation Andrzej Wojcik met with emissaries of the World Bank, Professors Max Corden, Ola Havrylyshyn, and Branko Milanovic. Basic assumptions of the so-called program for developing foreign trade, prepared by the World Bank as part of technical assistance to Poland, were discussed. [passage omitted]

Abroad

[Passage omitted] Politburo Member and Central Committee Secretary Jozef Czyrek and First Secretary of the Central Committee of the Ukrainian CP Vladimir Shcherbitskiy signed a protocol for the cooperation of both parties. This is the first document of its kind to be accepted by the PZPR and an USSR republic party. Both parties will exercise patronage over cooperation and regular contacts between the councils of ministers of the PRL [Polish People's Republic] and the Ukrainian SSR, which will deal with, among other things, expanding specialization and coproduction, promoting more effective contacts between enterprises and R&D institutions, forming joint enterprises, expanding border trade and economic contacts, and developing other forms of cooperation.

In Buenos Aires was held the Seventh Session of the Polish-Argentinian Mixed Commission. It evaluated the status of cooperation so far and agreed upon specific measures to invigorate foreign trade and industrial and economic cooperation during 1989-1990. In addition, mechanisms for the promotion and support of trade and economic activities were defined.

In Washington was held the Second Polish-American Symposium on Ecological Research and Environmental Protection. The first symposium had been held last year in Warsaw. The co-organizer on the Polish side is the Polish Academy of Sciences, and on the American side the National Academy of Sciences with the participation of the Environmental Protection Administration.

In Moscow ended the first founding meeting of the CEMA Committee for Cooperation in Fuels and Raw Materials. According to Deputy Secretary of CEMA Jon Recoj, the formation of the new committee is among the measures intended to restructure the mechanisms of the multilateral cooperation and economic integration of CEMA member countries. The Committee for Cooperation in Fuels and Raw Materials was formed to replace several previously operating permanent commissions of the Council.

In Brussels were held talks between delegations of the EEC and CEMA. The purpose of these consultations was to identify and define the fields in which cooperation agreements can be concluded in the very near future. [passage omitted]

NEUES DEUTSCHLAND, BERLINER ZEITUNG, and other GRD dailies have published a communique of the Ministry of the Post and Telecommunications advising that the Soviet monthly SPUTNIK has been deleted from the list of periodicals distributed in the GDR. The stated rationale for this decision is that SPUTNIK is not contributing to strengthening German-Soviet friendship and moreover is publishing articles that distort history.

"We cannot abandon the reforms because of the difficulties arising. We shall cope with these problems solely by consistently implementing the reforms," declared Secretary General of the Chinese CP Central Committee Zhao Ziyang, during a meeting with Ahmed Abdallah Abdereman, president of the Federal Republic of Islam of the Comoro Island during his visit to Beijing. "At present," Zhao Ziyang said, "we are facing the problem of inflation. Ultimately a thorough solution of this problem will be possible owing to the reforms."

The spokesman of the ministry of material resources and equipment Xie Minggan declared that China intends to tighten its supervision of steel industry products so as to assure steel shipments for the principal steelworks and investment projects, in order to eliminate illegal transactions and "establish a new order on the market." He said that soon there will be issued new ordinances intended to simplify the procedures on the market for steel products and assure that the enterprises of that subsector shall fulfill the mandatory state plan. [passage omitted]

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, economic, military, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed, with personal and place names rendered in accordance with FBIS transliteration style.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.

END OF FICHE DATE FILMED

14 Feb 89